



BENTONVILLE CITY COUNCIL AGENDA

Note – Due to health concerns related to COVID-19, some of all of the members of the City Council, as well as City staff members, may attend this meeting by phone or other remote means. Those who attend should observe the CDC recommendations concerning hygiene, the use of masks or other facial coverings, and social distancing (keeping at least 6 feet away from other persons present at the meeting). No one should attend this meeting if they are experiencing any type of illness involving a fever, sneezing or coughing, or shortness of breath. Those attending the meeting in person may be screened before being allowed to enter by having their temperature taken and by being asked a series of questions focusing on possible exposure to COVID-19. Those wishing to make public comments who cannot or do not want to attend the meeting may do so by email submitted to cc.comments@bentonvillear.com by at least 4:00 p.m. on the day of the meeting and those comments will be communicated to the members of the Council and the Mayor. Accommodation has also been made to allow Bentonville citizens to make “live” public comments orally in the event they cannot or do not feel comfortable attending the meeting in person. To do so, please send an email indicating a desire to make public comments remotely to cc.comments@bentonvillear.com by at least 1:00 p.m. on the day of the meeting and a reply email will be sent with instructions about how your comments can be made. Making comments will require you to register with your name, address, phone number and email address. The pre-existing limitations (3 minutes) and procedures with respect to oral public comments will still apply.

**Regular City Council Meeting
Bentonville Community Center
BCC Community Rooms**

**Tuesday, August 25, 2020 6:00 p.m.
1101 Southwest Citizens Circle**

***If the public would like to attend virtually, please register at the following link by 4:00 p.m. on August 25, 2020:**

https://us02web.zoom.us/webinar/register/WN_21MhKBDWSAaiPiwS3HcB_g

**Public Comments on Tonight’s Agenda Items (Limited Public Forum)
Questions, Comments and Discussion from City Council Members on Tonight’s Agenda
Call to Order
Pledge of Allegiance
Moment of Silence – For our Military Forces
Roll Call
Approval of Minutes: August 11, 2020**

AGENDA

1. Presentation regarding future SW 28th Street Park – David Wright, Parks Director.
2. Ordinance accepting the annexation of certain territory to the City of Bentonville, Arkansas, and making same a part of the City of Bentonville, and assigning same to wards. (Lake Bella Vista Annexation). **(Pages 8-32)**
3. Ordinance accepting the annexation of certain territory to the City of Bentonville, Arkansas, and making same a part of the City of Bentonville, and assigning same to wards. (Trenton Harmon Annexation). **(Pages 33-58)**

4. Planning:

- 4a. **Ordinance: Group Homes.**

(Pages 62-65)

The Planning Commission voted 7-0, recommending approval.

Bentonville's Zoning Code does not currently regulate group homes. After receiving requests to locate group homes in residential neighborhoods, the city retained legal counsel to prepare regulations that preserve the character of residential neighborhoods while complying with the Federal Fair Housing Amendment Act of 1988.

- 4b. **Ordinance: Detention Ponds.**

(Pages 66-67)

The Planning Commission voted 7-0, recommending approval.

In 2005, City Council adopted Ordinance No. 2005-101 that set a deadline of September 10, 2005 for detention and retention ponds to be deeded to the city for ownership and maintenance. During the growth and development of Bentonville over the last fifteen years since Ordinance 2005-101 was adopted, code enforcement, engineering, and planning have dealt with maintenance and mowing issues with detention and retention ponds.

City staff has identified fourteen ponds that have become attractive nuisances for the subdivisions in which they provide storm water control. Through property owner changes, failed LLC's and POA's, city staff has used all means necessary to address the concerns of the residents while balancing the needs of the city cost-effectively.

Staff requests the deed deadline be changed from September 10, 2005 to November 20, 2020. This allows the city to accept these fourteen ponds to ensure repairs and maintenance can occur for a publicly owned property.

- 4c. **Ordinance changing real estate from R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential, Levi Brewer, 1001 NW A Street.**

(Pages 68-70)

The Planning Commission voted 7-0, recommending approval.

The Future Land Use Plan for this area is Medium Density Residential. Chapter 5, Neighborhoods and Housing, of the Community Plan classifies this area as neighborhood transformation, where existing neighborhoods are experiencing redevelopment due to several factors, including the age or condition of housing, proximity to other amenities, or the cost of the land. Goals within this section include providing various housing types to meet the spectrum of demands from Bentonville's diverse population. The intent is also to improve the character of the existing neighborhoods and ensure that future neighborhoods reflect a compatible and high level of design.

1001 NW A Street is a vacant lot in an area experiencing redevelopment and zoning changes to support a variety of housing options. The area currently supports duplex, single-family, and small-scale apartments. This area will continue to infill new homes on existing vacant lots and redevelop when the existing housing stock has reached the end of use. The overall trend has been infill and redevelopment. An alley was vacated on the south side of this property in 1987, by resolution 1987-71. Any sewer, water, or other utility extensions required for development of this lot will be at the owner's expense.

The Bentonville Community Plan's Chapter 5, Neighborhoods and Housing, and the Future Land Use Map support this zoning request. Staff has reviewed this application and recommends approval.

- 4d. **Ordinance changing real estate from C-3, Mixed-Use Commercial to C-2, General Commercial, Bentonville Plaza Land, LLC, 1005 S Walton Boulevard.**

(Pages 71-74)

The Planning Commission voted 7-0, recommending approval.

The Future Land Use Plan currently depicts this property as General Commercial. General commercial areas include uses that serve both nearby residents and those coming from other parts of the city or region. Appropriate uses in these areas include retail, restaurants, services, and offices. Vertical mixed-use developments are encouraged, but are not as high a priority as in mixed-use or downtown commercial areas. General commercial uses should balance access between pedestrians and vehicles, though the impacts of parking should be minimized through site design and landscaping.

The proposed zoning of C-2 is consistent with the Future Land Use Plan. C-2, General Commercial, areas should include uses that serve both nearby residents and those coming from other parts of the city or region. According to the applicant's narrative, the intent of the rezoning request is to provide food, beverage, retail, and other by-right uses for the property. Adjacent commercial developments to the north, south and west would also infer that a C-2, General Commercial zoning

designation may be warranted. Staff recommends approval of the rezoning due to the site's location along an Arterial street, adjacent zonings, and uses. South Walton Boulevard contains a number of commercial uses along the corridor.

- 4e. **Ordinance changing real estate from R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential, Clear T, LLC, 408 SE D Street.**

(Pages 75-77)

The Planning Commission voted 6-0, recommending approval. Wright recused himself.

The Future Land Use Plan currently depicts this property as High Density Residential. High-density residential areas include a variety of housing types ranging from single-family, apartments, condominium buildings, senior housing, and special types of group living. They may even include some mixed-use developments. These areas vary greatly in terms of density depending on scale, but typically have at least 12 units per acre. These areas may also have integrated amenities for residents, including local parks, community centers, and resident-oriented commercial uses. These areas are found both near Downtown and in some recent growth areas near the core of Downtown.

According to the applicant's narrative, their intent of the rezoning request is to construct a single-family attached structure on the lot (one structure, two units). This approach will allow for redevelopment of the property to occur while keeping the character and development patterns of the existing neighborhood intact. While the DN-2 district does allow for townhomes at the end of block, only single or two family residences would be allowed on this property due to its mid-block location. Staff recommends approval of the rezoning request due to the site's compatibility with the Future Land Use Plan, existing use, and surrounding uses.

- 4f. **Ordinance changing real estate from I-2, Heavy Industrial, R-3, Medium Density Residential, R-O, Residential Office, and C-2, General Commercial to PUD, Planned Unit Development, Wal-Mart Stores, Inc., 301 SE J Street.**

(Pages 78-134)

The Planning Commission voted 6-0, recommending approval. Haynie recused himself.

The Future Land Use Plan currently depicts this property as General Commercial. General Commercial areas typically include uses that serve nearby residents and those coming from other parts of the region. They encourage a variety of commercial uses and should balance access between vehicles and pedestrians. The General Commercial land use category is compatible with the proposed Planned Unit Development.

According to the applicant's narrative the purpose of their Planned Unit Development is to provide a smart and sustainable design and a connected campus rooted in the community. The Campus seeks to meet these goals through the use of local materials, environmentally friendly design, connection with the

Razorback Greenway and 8th Street, and building and architectural selections to serve as an extension of the existing community.

The Commerce and Industry Chapter of the 2015 Bentonville Community Plan is of special importance to this project. The Chapter's Community-Wide Recommendations suggest the City require a high quality of design and make unique and interesting places. In addition, the chapter depicts this property as being within the East Side Walmart Employment Sector Area. The plan notes that this area should serve as a link between the western trail network (which includes Downtown and Crystal Bridges) and the eastern trail network (which includes NWACC and the City of Rogers).

This Planned Unit Development, through its use of unique design, open space, and pedestrian connectivity, meets the purpose and intent of the PUD ordinance and of the Commerce and Industry Chapter of the Community Plan. Staff recommends approval of this rezoning request.

4g. **Ordinance accepting a final plat of Providence Village Phase II.**
(Pages 135-140)
The Planning Commission voted 7-0, recommending approval.

The final plat consists of ninety-nine (99) single-family lots with an average lot size of 7,880 square feet. The plat dedicates various 50-foot & 52-foot public street rights-of-ways within the subdivision and various public utility easements to serve the development. The plat does meet the minimum requirements of the land development regulations, therefore staff recommends approval.

5. Amending ordinance requested by Planning Staff for approval of changing zoning at 404 SW Glover Street from R-1 Single-Family Residential to DN-2 Downtown Medium Density. An error has been discovered on the Desavado Rezoning Ordinance passed at the July 28, 2020 City Council meeting. The applicant made a request to rezone the property at 404 SW Glover Street from R-1 Single-Family Residential to DN-2 Downtown Medium Density. A public hearing was held and the Planning Commission approved rezoning the property to DN-2 Medium Density at the July 21, 2020 Planning Commission meeting. The Ordinance submitted to City Council and approved by City Council on July 28, 2020 read R-2 Duplex and Patio Home Residential instead of DN-2 Downtown Medium Density.
(Pages 141-144)
6. Appointment of Aaron Kohn to the Public Art Advisory Committee (PAAC). Mr. Kohn has direct experience working with public art commissions and has a Bachelor of Arts Degree from Columbia University. This appointment is to fill position #4 vacated by Brittany Braithwaite due a move outside the city. This term expires on 10/31/2021.
(Pages 145-150)
7. Public hearing and ordinance vacating a Street Right of Way requested by Sand Creek located in W.A. Burks Addition between Block 14 and 15 (VAC20-0015).
(Pages 151-154)
8. Submission of the annual audit to City Council. No action is required. According to page 2 (Independent Audit Report section) of the Audit Report/CAFR, BKD, LLC has issued this report with the following statement: In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type

activities, each major fund and the aggregate remaining fund information of the City of Bentonville, Arkansas, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. **(Pages 155-303)**

9. Budget adjustment needed to recognize receipt of CARES Act funding in the amount of \$187,518.97. \$177,375 of this will be paid directly to City EMS employees in accordance with the State of Arkansas Cares Act Steering Committee guidelines. \$10,143.97 will be used to offset the City portion of Medicare costs to these employees for the payments. **(Pages 304-305)**
- 10a. Resolution authorizing the Mayor to enter into an agreement with FTN Associates, Ltd. for Work Order 2 to their Master Services Agreement for the City Wide Drainage Analysis. **(Pages 306-310)**
- 10b. Budget adjustment to cover Work Order 2020-02 for the Bentonville City-Wide Master Drainage Analysis in the amount of \$150,000.00. **(Pages 311-312)**
- 11a. Resolution authorizing the Mayor and City Clerk to enter into an agreement with ARDOT, funding \$975,000.00 from Street account allocated to the addition of "Pedestrian Tunnel" as per Change Order #16 of CA0903 project. **(Pages 313-330)**
- 11b. Budget adjustment in the amount of \$975,000.00 to recognize a reimbursable grant award from the Walton Family Foundation for construction of a new tunnel for the Razorback Greenway as part of the Bella Vista Bypass project. **(Pages 331-339)**
- 12a. Resolution authorizing the Mayor and City Clerk to enter into a professional services agreement with Flintco, LLC to provide pre-construction services for the development of the 28th Street Park Project for an amount not to exceed \$27,500.00. **(Pages 340-369)**
- 12b. Budget Adjustment in the amount of \$27,500.00 to fund the construction manager contract for the 28th Street Park project. **(Pages 370-371)**
13. The Visit Bentonville Office is making an adjustment to the terms of Lee Culpepper and Daniel Hintz. It was discovered that the terms should expire on December 31, 2023, instead of December 31, 2024. **(Pages 372-374)**
14. Ordinance for a Waiver of Bid for the City's 2019-2020 portion of Benton County's five year Contract with AT&T, for E-9-1-1 Call Handling Equipment, for purposes of receiving and transporting E-9-1-1 calls. Due to Benton County owning the Contract for this equipment with AT&T, it is not feasible for the City to competitively bid this purchase. The actual payment to AT&T for the City's 2019-2020 portion is prorated for seven months (approximately \$21,329.00); in years two through five, the City's portion will be approximately \$36,570.00 annually. Pricing is in accordance with the HGACBuyEC-07-17 Cooperative Contract. See attached Memo and the signed Contract between Benton County and AT&T for additional information. **(Pages 375-384)**

15. Bid Award to Emergency Vehicle Specialist (EVS) through participation in the HGAC Cooperative (Co-op) contract, EE08-19 to purchase a Self Contained Breathing Apparatus (SCBA) air compressor for Station 7 in the amount of \$42,558.29 tax included. Use of a Co-op is allowed pursuant to Arkansas State Statute 19-11-249; Purchasing performed an evaluation of EE08-19, determining that the solicitation was in line with both Arkansas State Statute and City Purchasing procedures. This is a budgeted item in the 2020 budget.
(Pages 385-388)
16. A resolution for City Council approval to enter into an agreement with the Bentonville Library Foundation to purchase the Bentonville Public Library property.
(Pages 389-400)



CHECK ALL THAT APPLY			
	Bid Award	Bid #	
	Budget Adjustment		
	Change Order		
	Informational		
X	Ordinance		
	Resolution		
	Other		

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Jim Wheeless

Department

Phone

271-5926

ACTION REQUIRED:

Ordinance accepting the annexation of certain territory to the City of Bentonville, Arkansas, and making same a part of the City of Bentonville, and assigning same to wards. (Lake Bella Vista Annexation).

COST TO CITY:

Cost of this Request:

Additional Budget Amount

☐ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712
www.bentonvillear.com



PLEASE RECYCLE



ORDINANCE NO. _____

AN ORDINANCE ACCEPTING THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF BENTONVILLE, ARKANSAS, AND MAKING SAME A PART OF THE CITY OF BENTONVILLE, AND ASSIGNING SAME TO WARDS.

WHEREAS, petition was filed with the County Clerk of Benton County, Arkansas by all of the owners of the hereinafter described territory, said owners being listed in Exhibit "A" to this ordinance, praying that said territory be annexed to, and made a part of the City of Bentonville, Arkansas, and

WHEREAS, on the 15^h day of July, 2020, the County Court of Benton County, Arkansas, entered an order authorizing annexation pursuant to § 14-40-609 of the Arkansas Code, finding that the petition met the requirements for annexation under that provision and directed the Clerk to forward the order to the Mayor of the City of Bentonville; and

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

Section 1. That the land described on the attached Exhibit "B," which includes both the territory sought to be annexed by the petitioners and the dedicated public roads and rights of way abutting or traversing the property proposed to be annexed, is territory contiguous to and adjoining the City of Bentonville, Arkansas, and the petition to annex that property is hereby granted and the property described in Exhibit "B" is hereby accepted as part of and annexed to and made a part of the City of Bentonville.

Section 2. That the above described territory shall be annexed to and made a part of Ward 1 of the City of Bentonville, and the same shall henceforth be a part of said ward as fully as existing parts of said ward.

Section 3. That the above described territory shall be zoned A-1, to be used in accordance with City zoning laws and the laws of the State of Arkansas.

Section 4: That this ordinance shall become effective 30 days from its passage and approval.

PASSED AND APPROVED THIS _____ DAY OF August, 2020.

APPROVED: _____
HON. STEPHANIE ORMAN, Mayor

ATTEST: _____
City Clerk

LAKE BELLA VISTA ANNEXATION
EXHIBIT "A"

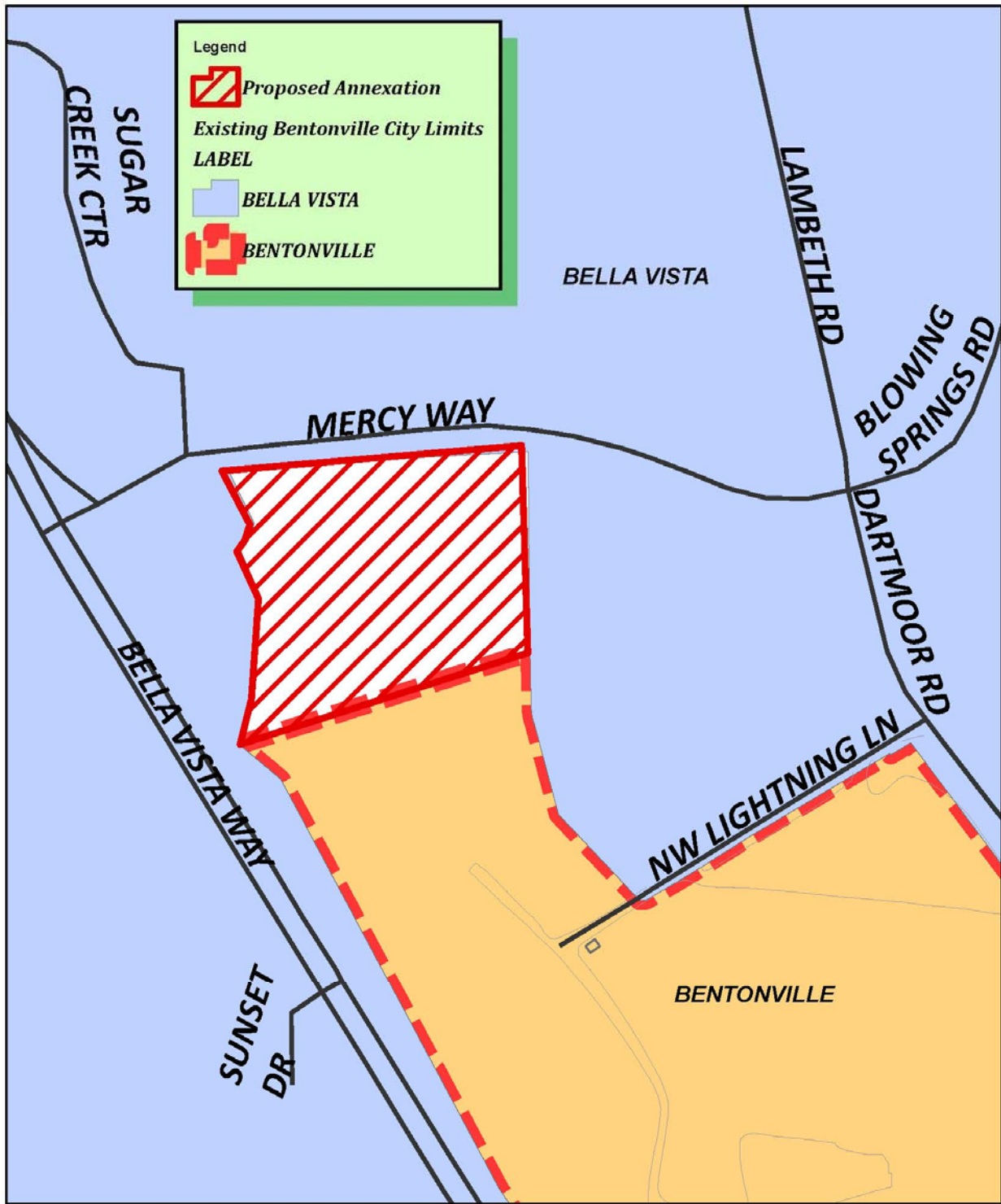
CITY OF BENTONVILLE _____ 15-81050-000
15-81050-001

LAKE BELLA VISTA ANNEXATION
EXHIBIT "B"

Part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 1, Township 20N, Range 31W, Benton County, Arkansas and more particularly described as follows:

Commencing at the SW Corner of said Section 1.
Thence North 2591.81';
Thence East 644.09' to the Point of Beginning.

Thence N13°51'47"E, 91.63';
Thence N04°00'18"E, 197.41';
Thence N24°40'45"W, 101.28';
Thence N34°58'23"E, 27.58';
Thence N17°30'30"E, 31.92';
Thence N27°35'30"W, 117.83';
Thence N85°10'51"E, 587.30';
Thence S01°43'29"E, 406.00';
Thence S72°20'01"W, 589.54' to the point of beginning.
Containing 5.86 acres more or less.



1 inch = 237 feet

EXHIBIT "B"
LAKE BELLA VISTA ANNEXATION



BENTON COUNTY

STATE OF ARKANSAS

RECEIVED JUL 21 2020

BETSY HARRELL

COUNTY CLERK & VOTER REGISTRAR

215 EAST CENTRAL, SUITE 217
BENTONVILLE, AR 72712-5373
479-271-1013
Fax: 479-271-1019

PROBATE COURT CLERK

COURTHOUSE, 102 N.E. "A" STREET
BENTONVILLE, AR 72712-5350
479-271-5727
Fax: 479-271-1712

July 16, 2020

Honorable Stephanie Orman
City of Bentonville
117 W. Central Ave
Bentonville, AR 72712

Re: In the Matter of Annexing to the City of Bentonville, Arkansas Certain
Territory Contiguous To Said City of Bentonville, Arkansas

Dear Mayor Orman:

The County has received and processed a proposed annexation pursuant to ACA § 14-40-609 related to annexations by 100% of the property owners. I am transmitting to you a copy of the documents relating to the proposed annexation for consideration by the Bentonville City Council.

If your council and you approve the annexation, please ask your clerk or recorder to return to me one (1) certified copy of the plat of the annexed property and one (1) certified copy of the ordinance or resolution approving the annexation so that I can send those on to the Secretary of State as required by the statute.

Please feel free to contact me if you have questions.

Sincerely,


BETSY HARRELL, County Clerk

enc

ROGERS OFFICE
2111 W. WALNUT
(479) 636-3727
FAX (479) 636-4922

ROGERS ARCHIVES
2111 W. WALNUT
(479) 636-1037
FAX (479) 636-1053

SILVAM SPRINGS OFFICE
707 S. LINCOLN
479-271-1013
FAX (479) 524-8534

FILED

2020 JUL 15 PM 1: 12

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

IN THE MATTER OF ANNEXING TO THE
CITY OF BENTONVILLE, ARKANSAS
CERTAIN TERRITORY CONTIGUOUS TO SAID
CITY OF BENTONVILLE, ARKANSAS

COUNTY COURT CASE NO. CC 2020-09

ORDER AUTHORIZING ANNEXATION PURSUANT TO ACA § 14-40-609

I, Barry Moehring, County Judge of Benton County, having reviewed the attached petition for annexation and verification of petition, hereby find that the petition:

- 1) is in writing;
- 2) contains an attestation signed before a notary or notaries by the property owner or owners of the relevant property or properties confirming their desire to be annexed;
- 3) contains an accurate description of the relevant property or properties;
- 4) contains a letter or title opinion from a certified abstractor or title company verifying that the petitioners are all owners of record of the relevant property or properties;
- 5) contains a letter or verification from a certified surveyor or engineer verifying that the relevant property or properties are contiguous with the annexing city or town and that no enclaves will be created if the property or properties are accepted by the city or town – additionally a copy of the letter from the State of Arkansas GIS office approving the legal description for the annexation was provided; and
- 6) includes a schedule of services of the annexing city or town that will be extended to the area within three (3) years after the date the annexation becomes final.

The County Clerk is directed to forward a copy of this order and the related Petition to the Mayor of the City of BENTONVILLE.


HON. BARRY MOEHRING, County Judge

Date

2020-3104

FILED

IN THE MATTER OF ANNEXING TO THE
CITY OF BENTONVILLE, ARKANSAS
CERTAIN TERRITORY CONTIGUOUS TO SAID
CITY OF BENTONVILLE, ARKANSAS

2020 JUL 13 AM 11:10

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR
CC 2020-09

VERIFICATION OF PETITION FOR ANNEXATION PURSUANT TO ACA § 14-40-609

We, Betsy Harrell, County Clerk of Benton County, and Roderick Grieve, County Assessor of Benton County, attest as follows:

Our offices have received the attached petition seeking annexation. The petition has been reviewed and we hereby verify that the petition:

- (A) is in writing;
- (B) contains an attestation signed before a notary or notaries by the property owner or owners of the relevant property or properties confirming the desire to be annexed;
- (C) contains an accurate description of the relevant property or properties;
- (D) contains a letter or title opinion from a certified abstractor or title company verifying that the petitioners are all owners of record of the relevant property or properties;
- (E) contains a letter or verification from a certified surveyor or engineer verifying that the relevant property or properties are contiguous with the annexing city or town and that no enclaves will be created if the property or properties are accepted by the city or town; and
- (F) include a schedule of services of the annexing city or town that will be extended to the area within three (3) years after the date the annexation becomes final.


HON. BETSY HARRELL, County Clerk


HON. RODERICK GRIEVE, County Assessor



FILED

2020 JUL 13 AM 11:10

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Date: July 7, 2020
Subject: Proposed Annexation Checklist
CC 2020-09 Bentonville, AR

✓ (A) is in writing;

✓ (B) contains an attestation signed before a notary or notaries by the property owner or owners of the relevant property or properties confirming the desire to be annexed;

✓ (C) contains an accurate description of the relevant property or properties;

✓ (D) contains a letter or title opinion from a certified abstractor or title company verifying that the petitioners are all owners of record of the relevant property or properties;

✓ (E) contains a letter or verification from a certified surveyor or engineer verifying that the relevant property or properties are contiguous with the annexing city or town and that no enclaves will be created if the property or properties are accepted by the city or town; and

✓ (F) include a schedule of services of the annexing city or town that will be extended to the area within three (3) years after the date the annexation becomes final.

~~NA~~ [Additionally, we note that the legal description in (B) does not include in its description certain dedicated public roads and rights of way abutting or traversing the property to be annexed, the legal descriptions for which are included on the attached Exhibit "A"]

Please contact me if you have any questions.

Michael D. Million
Manager - GIS-Mapping Dept.
Benton County Assessor's Office
Phone: 479-271-1037, ext. 7004
Email: michael.million@bentoncountyar.gov

FILED

2020 JUN 29 PM 3: 53

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

IN THE MATTER OF ANNEXING TO THE CITY
OF BENTONVILLE, ARKANSAS CERTAIN TERRITORY
CONTIGUOUS TO SAID CITY

NO. CC 2020-09

PETITION FOR ANNEXATION – 100 % OF OWNERS PETITIONING

DATE: 6/26/2020

Come now the undersigned petitioners, and state as follows:

1. That we, owning 100% of the property in the following described area, do hereby petition, pursuant to A.C.A. §14-40-609, the City Council of Bentonville, Arkansas, to annex the following lands to the City of Bentonville, Arkansas.

Refer to Exhibit "A"

2. We further state that this petition is signed by one hundred percent (100%) of the real estate owners owning one hundred percent (100%) of the acreage in said area and that the area to be annexed does not contain property whose owners do not wish to have their property annexed.

3. That said property description herein is contiguous to and adjoining the present City of Bentonville city limits, as shown on the map attached hereto as Exhibit "B".

4. That no enclaves will be created if this petition is accepted and the territory annexed into the City of Bentonville.

5. That the following schedule of services shall be extended to the area by the City of Bentonville within three (3) years after the date the annexation becomes final:

All properties annexed into the City of Bentonville are provided with Police, Fire and EMS services.

Additional services such as water and sewer may be provided if readily available. Such services are provided in accordance with existing ordinances and terms of service, including but not limited to the payment of required fees, the necessary permits, inspections and approvals.

FILED

2020 JUN 29 PM 3: 53

BETSY HARRELL

CLERK OF DISTRICT COURT
BENTON COUNTY, AR

6. That a letter or title opinion from a certified abstractor or title company verifying that the petitioners are all owners of record of the relevant property or properties is attached hereto as Exhibit "C" and is made part of this petition as if set out word for word herein.

7. That a letter or verification from a certified surveyor or engineer verifying that the relevant property or properties are contiguous with the City of Bentonville and that no enclaves will be created if the property or properties are accepted by the City of Bentonville is attached hereto as Exhibit "D" and is made part of this petition as if set out word for word herein.

8. That each of the undersigned persons executing this petition has confirmed by their signature a desire that their property, which is included in the property described above, be annexed into the City of Bentonville.

FILED

2020 JUN 29 PM 3:53

I confirm my desire that property owned by me, which is to be included in a petition to annex property, be annexed into the City of Bentonville.

SEBASTIAN HARRILL
CO & PROBATE CLERK
BENTON COUNTY, AR

If the property being annexed is owned jointly, I attest that all owners of the property are signing a copy of this confirmation.

If the property is owned by a trust, I attest either that I have the authority to sign this confirmation on behalf of the trust, or that all persons required to do so by the trust are signing a copy of this confirmation.

If the property is owned by a corporation, limited liability company or other entity I attest either that I have the authority to sign this confirmation on behalf of the entity, or that all persons required to do so by the entity's governing documents are signing a copy of this confirmation.

[Redacted Signature]

Signature of Property Owner or
Legal Representative of Property Owner,
Petitioner

Mayer

Title, if applicable (i.e. Trustee,
(Managing Member, President,
Secretary)

15-81050-000

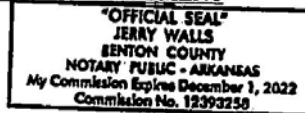
15-81050-001

Parcel number of property to be annexed

ACKNOWLEDGMENT

State of Arkansas)
County of Benton)

SS.



On this the 24th day of June, 2019, before me, the undersigned officer, personally appeared Stephanie Orman, known to me (or satisfactorily proven) to be the person whose name is subscribed above and acknowledged and attested that it was executed for the purposes therein apparent.

[Redacted Signature]

NOTARY PUBLIC

My Commission Expires:

12-1-2022

FILED

2020 JUN 29 PM 3: 53

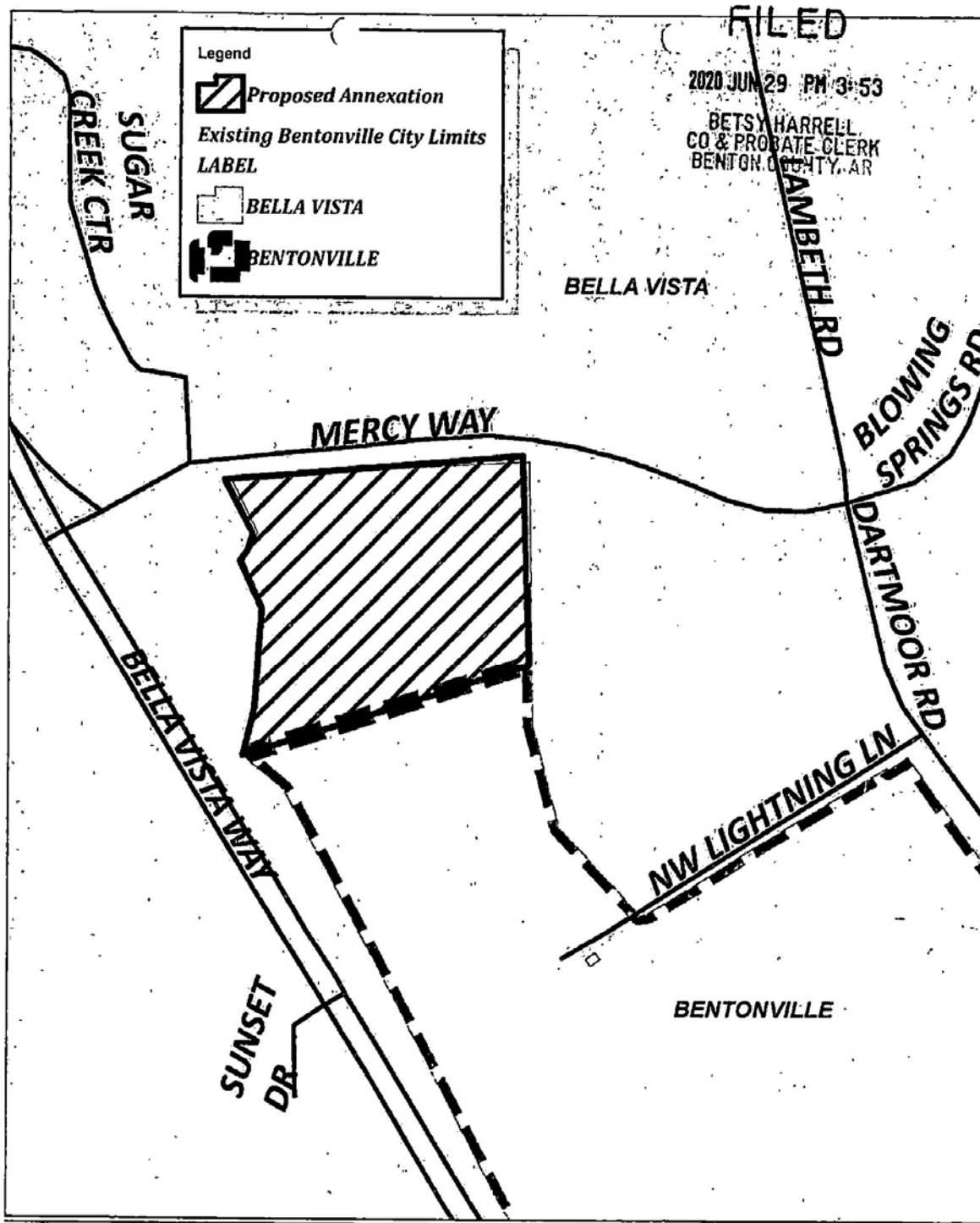
**Lake Bella Vista Annexation
Exhibit "A"**

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 1, Township 20N, Range 31W, Benton County,
Arkansas and more particularly described as follows:

Commencing at the SW Corner of said Section 1.
Thence North 2591.81';
Thence East 644.09' to the Point of Beginning.

Thence N13°51'47"E, 91.63';
Thence N04°00'18"E, 197.41';
Thence N24°40'45"W, 101.28';
Thence N34°58'23"E, 27.58';
Thence N17°30'30"E, 31.92';
Thence N27°35'30"W, 117.83';
Thence N85°10'51"E, 587.30';
Thence S01°43'29"E, 406.00';
Thence S72°20'01"W, 589.54' to the point of beginning.
Containing 5.86 acres more or less.



1 inch = 237 feet

EXHIBIT "B"
LAKE BELLA VISTA ANNEXATION



Benton
216 W Sevier Street
Benton, AR 72015

Bentonville
300 SW 28th Street
Bentonville, AR 72712

Eureka Springs
70 S. Main Street, Suite 2
Eureka Springs, AR 72632

Fayetteville
1420 Augustine Lane, Suite 1
Fayetteville, AR 72703

Sheridan
206 N Rose Street
Sheridan, AR 72150



First National
Title Company

Headquarters
First National Title Company
Little Rock
415 N McKinley Street Suite 1200
Little Rock, AR 72205

EXHIBIT "C" FILED

Faulkner County Title Company Little Rock Title Company
A Division of A Division of
First National Title Company First National Title Company
Conway Little Rock
711 Locust Street 1001 W. Merikham Street #100
Bentonville, AR 72712 Little Rock, AR 72201
JESTY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

June 23, 2020

Greetings,

This letter is given in connection with what is understood to be an effort to voluntarily annex certain real property into the City of Bentonville. Based on our review, we verify that the persons listed in Exhibit C-1 to this letter are all the owners of record of the real property described in Exhibit C-2 to this letter.

[Redacted signature]

Steve Pangle

Benton County Manager

First National Title

www.firstnationaltitle.net

FILED

2020 JUN 29 PM 3:53

LAKE BELLA VISTA ANNEXATION
EXHIBIT "C-1"

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

CITY OF BENTONVILLE _____

15-81050-000
15-81050-001

FILED

2020 JUN 29 PM 3: 53

Lake Bella Vista Annexation
Exhibit "C-2"

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 1, Township 20N, Range 31W, Benton County, Arkansas and more particularly described as follows:

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Thence N13°51'47"E, 91.63';
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Thence N85°10'51"E, 587.30';
Thence S01°43'29"E, 406.00';
Thence S72°20'01"W, 589.54' to the point of beginning.
Containing 5.86 acres more or less.

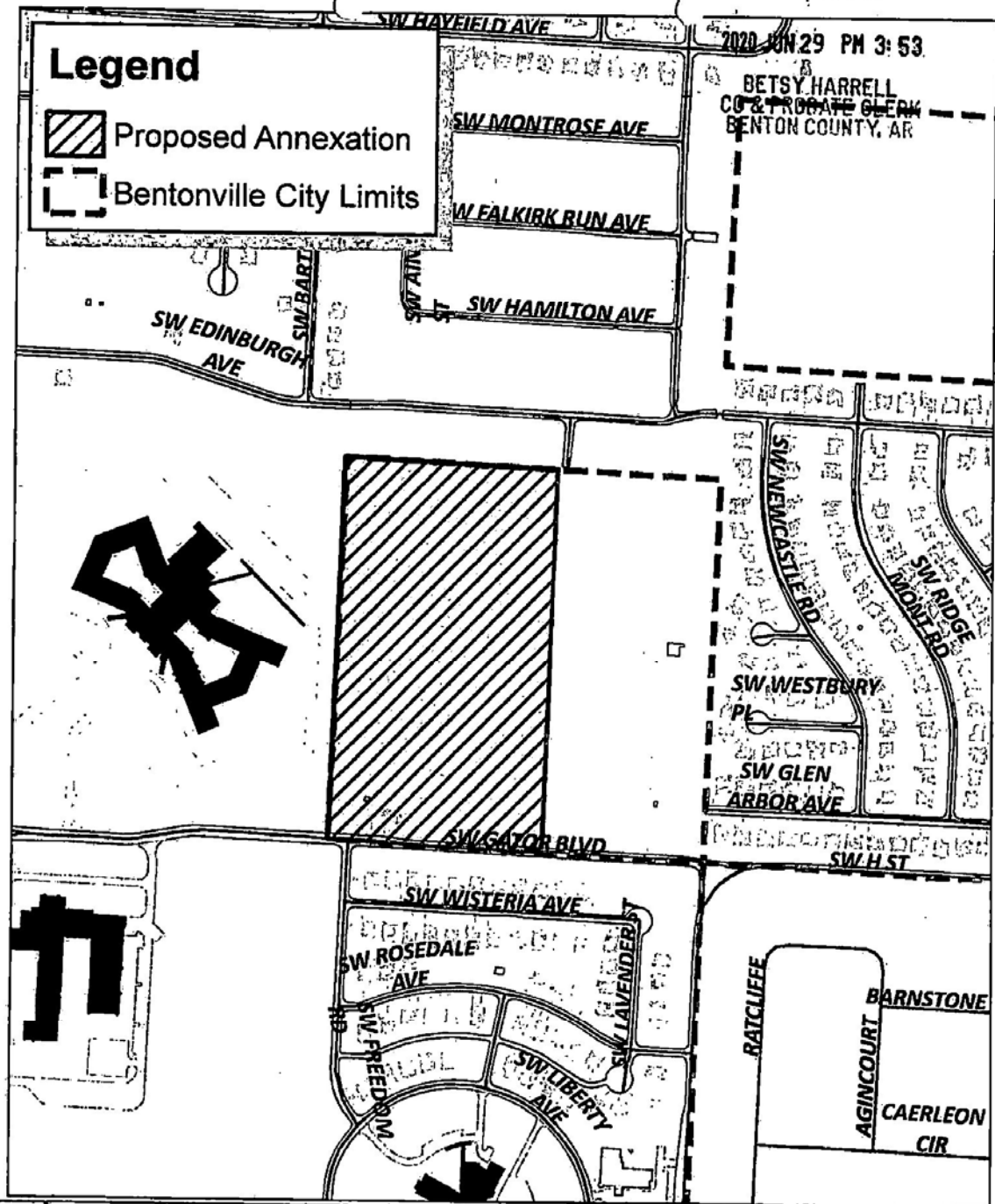
FILED

2020 JUN 29 PM 3:53

BETSY HARRELL
CLERK
BENTON COUNTY, AR

Legend

-  Proposed Annexation
-  Bentonville City Limits



1 inch = 417 feet

EXHIBIT 'C-2'
Trenton Harmon Annexation



EXHIBIT "D"

FILED

2020 JUN 29 PM

BETSY HARREL
CO & PROBATE CLERK
BENTON COUNTY, ARK.

Greetings:

This letter is given in connection with what is understood to be an effort to voluntarily annex certain real property (Lake Bella Vista Annexation) into the City of Bentonville. I am a licensed Professional Engineer in the State of Arkansas. Based on my review, I verify that the real property described in Exhibit D-1 to this letter is contiguous with the City of Bentonville and that no enclaves will be created if the described property is accepted by the City of Bentonville.

Sincerely,


STATE OF ARKANSAS
REGISTERED PROFESSIONAL ENGINEER
No. 11416
TRAVIS W. MATLOCK
6/22/20

Travis Matlock, P.E.

FILED

2020 JUN 29 PM 3:53

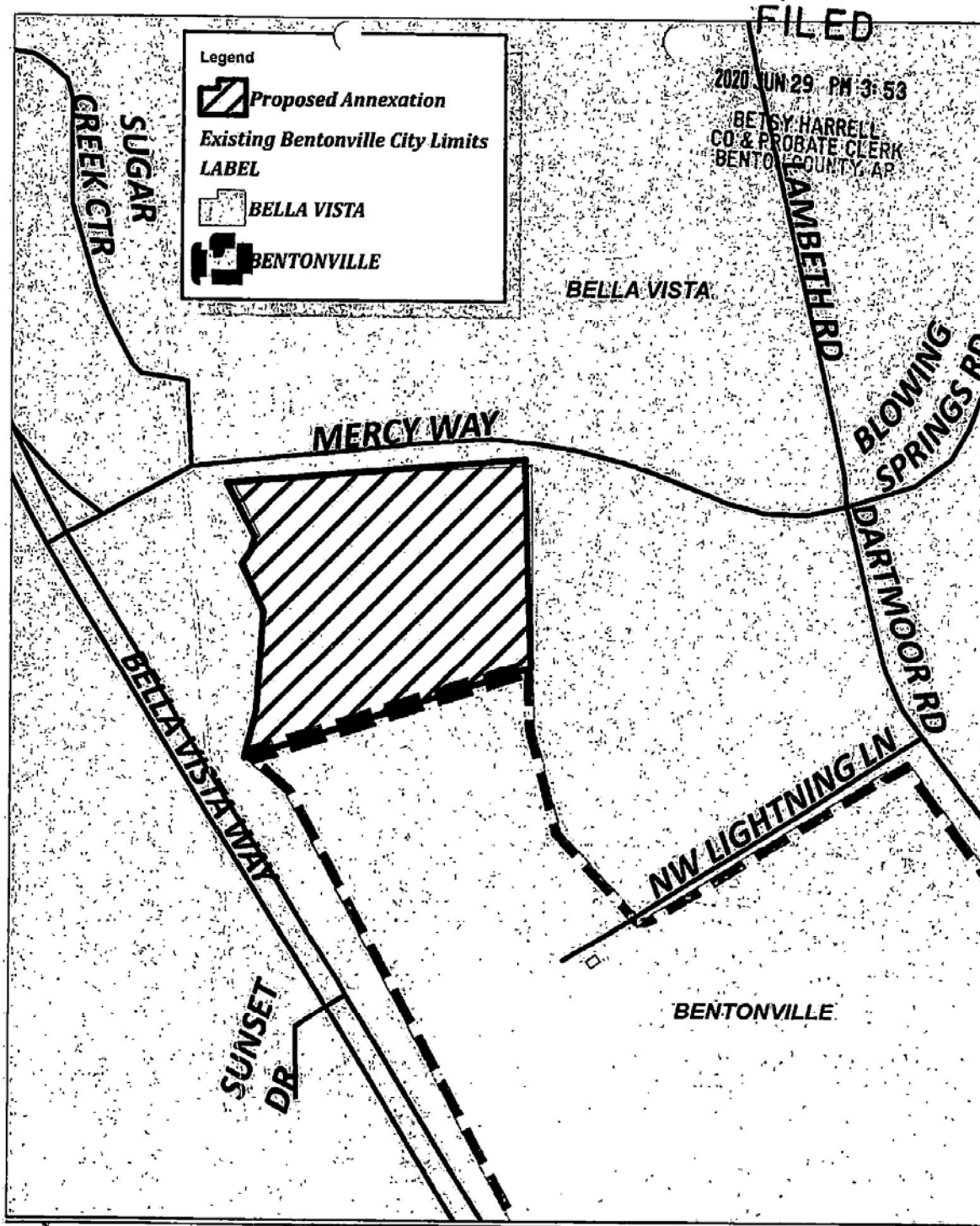
**Lake Bella Vista Annexation
Exhibit "D-1"**

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

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Thence N85°10'51"E, 587.30';
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Thence S72°20'01"W, 589.54' to the point of beginning.
Containing 5.86 acres more or less.



1 inch = 237 feet

Exhibit "D-2"
Lake Bella Vista Annexation



FILED



**ARKANSAS
GIS OFFICE**

2020 JUN 29 PM 3: 58

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Department of Transformation
and Shared Services
Governor Asa Hutchinson
Secretary Amy Fecher
Director Shelby Johnson

June 18, 2020

Mr. Jim Wheelless
GIS Coordinator -- City of Bentonville
305 SW A Street
Bentonville, AR 72712

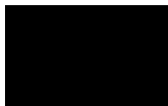
RE: City of Bentonville Coordination Requirement

Mr. Wheelless,

Thank you for coordinating with our office as you seek to annex property into the City of Bentonville, AR located in Section 1, Township 20 North, Range 31 West. This letter represents confirmation that you have properly coordinated with our office (Arkansas GIS Office) as specified in § 14-40-101 (Act 914 of 2015) of the 90th General Assembly.

Our office will wait completion of any additional steps necessary for the proposed boundary change, which normally comes from the Arkansas Secretary of State Elections Division after any appropriate filing by your County Clerk.

Thank you,



Jennifer Wheeler, GIS Analyst

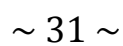
Attachments:
GIS Office Map of Proposed Annexation
Legal Description
Secretary of State Municipal Change Checklist

H:\City_Annexations\Cities\Bentonville\20200618\Doc\20200618_Bentonville_Annexation_Coordination_Letter.docx

ARKANSAS GIS OFFICE
1 Capitol Mall, Suite 6D • Little Rock, AR 72201 • 501.682.2767
gis.arkansas.gov • transform.ar.gov



BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR



FILED

2020 JUN 29 PM 3: 54

Lake Bella Vista Annexation
Exhibit "A"

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 1, Township 20N, Range 31W, Benton County,
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Thence N85°10'51"E, 587.30';
Thence S01°43'29"E, 406.00';
Thence S72°20'01"W, 589.54' to the point of beginning.
Containing 5.86 acres more or less.



CHECK ALL THAT APPLY		
	Bid Award	Bid #
	Budget Adjustment	
	Change Order	
	Informational	
X	Ordinance	
	Resolution	
	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Jim Wheeless

Department

Phone

271-5926

ACTION REQUIRED:

Ordinance accepting the annexation of certain territory to the City of Bentonville, Arkansas, and making same a part of the City of Bentonville, and assigning same to wards. (Trenton Harmon Annexation).

COST TO CITY:

Cost of this Request:

Additional Budget Amount

☐ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE



ORDINANCE NO. _____

AN ORDINANCE ACCEPTING THE ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF BENTONVILLE, ARKANSAS, AND MAKING SAME A PART OF THE CITY OF BENTONVILLE, AND ASSIGNING SAME TO WARDS.

WHEREAS, petition was filed with the County Clerk of Benton County, Arkansas by all of the owners of the hereinafter described territory, said owners being listed in Exhibit "A" to this ordinance, praying that said territory be annexed to, and made a part of the City of Bentonville, Arkansas, and

WHEREAS, on the 15th day of July, 2020, the County Court of Benton County, Arkansas, entered an order authorizing annexation pursuant to § 14-40-609 of the Arkansas Code, finding that the petition met the requirements for annexation under that provision and directed the Clerk to forward the order to the Mayor of the City of Bentonville; and

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

Section 1. That the land described on the attached Exhibit "B," which includes both the territory sought to be annexed by the petitioners and the dedicated public roads and rights of way abutting or traversing the property proposed to be annexed, is territory contiguous to and adjoining the City of Bentonville, Arkansas, and the petition to annex that property is hereby granted and the property described in Exhibit "B" is hereby accepted as part of and annexed to and made a part of the City of Bentonville.

Section 2. That the above described territory shall be annexed to and made a part of Ward 3 of the City of Bentonville, and the same shall henceforth be a part of said ward as fully as existing parts of said ward.

Section 3. That the above described territory shall be zoned A-1, to be used in accordance with City zoning laws and the laws of the State of Arkansas.

Section 4: That this ordinance shall become effective 30 days from its passage and approval.

PASSED AND APPROVED THIS _____ DAY OF August, 2020.

APPROVED: _____
HON. STEPHANIE ORMAN, Mayor

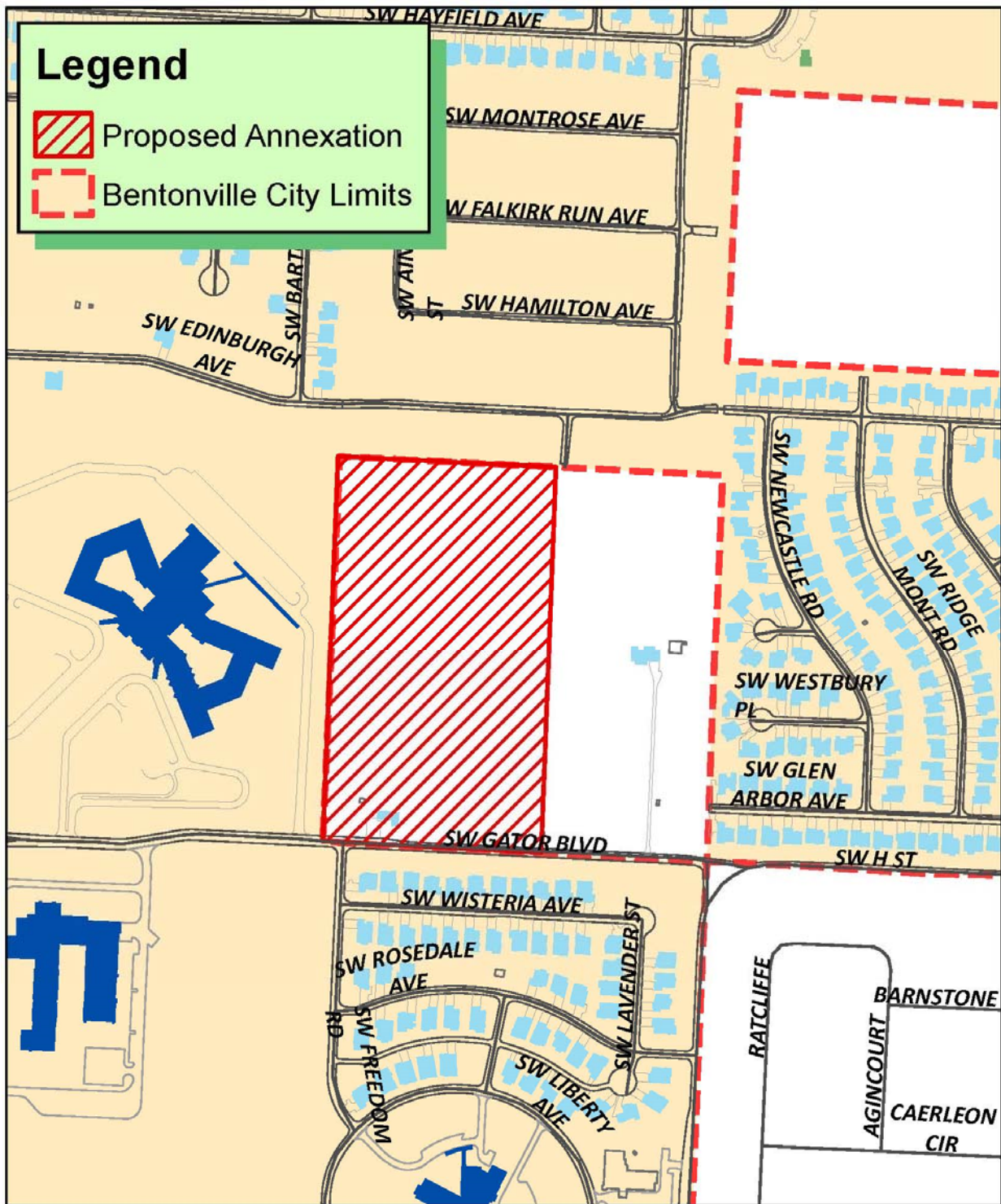
ATTEST: _____
City Clerk

TRENTON HARMON ANNEXATION
EXHIBIT "A"

Trenton H. & Sarah C. Harmon	18-08920-000
	18-08920-001

TRENTON HARMON ANNEXATION
EXHIBIT "B"

The West $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 13, Township 19N, Range 31W, Benton County, Arkansas, Containing 20 Acres More or Less.



1 inch = 417 feet

**Trenton Harmon Annexation
Exhibit "B"**



BENTON COUNTY

STATE OF ARKANSAS

RECEIVED JUL 21 2020

BETSY HARRELL

COUNTY CLERK & VOTER REGISTRAR

215 EAST CENTRAL, SUITE 217
BENTONVILLE, AR 72712-5373
479-271-1013
Fax: 479-271-1019

PROBATE COURT CLERK

COURTHOUSE, 102 N.E. "A" STREET
BENTONVILLE, AR 72712-5350
479-271-5727
Fax: 479-271-1712

July 16, 2020

Honorable Stephanie Orman
City of Bentonville
117 W. Central Ave
Bentonville, AR 72712

Re: In the Matter of Annexing to the City of Bentonville, Arkansas Certain
Territory Contiguous To Said City of Bentonville, Arkansas

Dear Mayor Orman:

The County has received and processed a proposed annexation pursuant to ACA § 14-40-609 related to annexations by 100% of the property owners. I am transmitting to you a copy of the documents relating to the proposed annexation for consideration by the Bentonville City Council.

If your council and you approve the annexation, please ask your clerk or recorder to return to me one (1) certified copy of the plat of the annexed property and one (1) certified copy of the ordinance or resolution approving the annexation so that I can send those on to the Secretary of State as required by the statute.

Please feel free to contact me if you have questions.

Sincerely,


BETSY HARRELL, County Clerk 

enc

ROGERS OFFICE
2111 W. WALNUT
(479) 636-3727
FAX (479) 636-4922

ROGERS ARCHIVES
2111 W. WALNUT
(479) 636-1037
FAX (479) 636-1053

SILLOAM SPRINGS OFFICE
707 S. LINCOLN
479-271-1013
FAX (479) 524-8534

FILED

2020 JUL 15 PM 1:12

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

IN THE MATTER OF ANNEXING TO THE
CITY OF BENTONVILLE, ARKANSAS
CERTAIN TERRITORY CONTIGUOUS TO SAID
CITY OF BENTONVILLE, ARKANSAS

COUNTY COURT CASE NO. CC 2020-10

ORDER AUTHORIZING ANNEXATION PURSUANT TO ACA § 14-40-609

I, Barry Moehring, County Judge of Benton County, having reviewed the attached petition for annexation and verification of petition, hereby find that the petition:

- 1) is in writing;
- 2) contains an attestation signed before a notary or notaries by the property owner or owners of the relevant property or properties confirming their desire to be annexed;
- 3) contains an accurate description of the relevant property or properties;
- 4) contains a letter or title opinion from a certified abstractor or title company verifying that the petitioners are all owners of record of the relevant property or properties;
- 5) contains a letter or verification from a certified surveyor or engineer verifying that the relevant property or properties are contiguous with the annexing city or town and that no enclaves will be created if the property or properties are accepted by the city or town – additionally a copy of the letter from the State of Arkansas GIS office approving the legal description for the annexation was provided; and
- 6) includes a schedule of services of the annexing city or town that will be extended to the area within three (3) years after the date the annexation becomes final.

The County Clerk is directed to forward a copy of this order and the related Petition to the Mayor of the City of BENTONVILLE.


HON. BARRY MOEHRING, County Judge

Date

2020 3105

IN THE MATTER OF ANNEXING TO THE
CITY OF BENTONVILLE, ARKANSAS
CERTAIN TERRITORY CONTIGUOUS TO SAID
CITY OF BENTONVILLE, ARKANSAS

FILED

2020 JUL 13 AM 11:10

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR
CC 2020-10

VERIFICATION OF PETITION FOR ANNEXATION PURSUANT TO ACA § 14-40-609

We, Betsy Harrell, County Clerk of Benton County, and Roderick Grieve, County Assessor of Benton County, attest as follows:

Our offices have received the attached petition seeking annexation. The petition has been reviewed and we hereby verify that the petition:

(A) is in writing;

(B) contains an attestation signed before a notary or notaries by the property owner or owners of the relevant property or properties confirming the desire to be annexed;

(C) contains an accurate description of the relevant property or properties;

(D) contains a letter or title opinion from a certified abstractor or title company verifying that the petitioners are all owners of record of the relevant property or properties;

(E) contains a letter or verification from a certified surveyor or engineer verifying that the relevant property or properties are contiguous with the annexing city or town and that no enclaves will be created if the property or properties are accepted by the city or town; and

(F) include a schedule of services of the annexing city or town that will be extended to the area within three (3) years after the date the annexation becomes final.

[REDACTED]
HON. BETSY HARRELL, County Clerk

[REDACTED]
HON. RODERICK GRIEVE, County Assessor



FILED

- 2020 JUL 13 AM 11:10

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Date: July 7, 2020
Subject: Proposed Annexation Checklist
CC 2020-10 Bentonville, AR

✓ (A) is in writing;

✓ (B) contains an attestation signed before a notary or notaries by the property owner or owners of the relevant property or properties confirming the desire to be annexed;

✓ (C) contains an accurate description of the relevant property or properties;

✓ (D) contains a letter or title opinion from a certified abstractor or title company verifying that the petitioners are all owners of record of the relevant property or properties;

✓ (E) contains a letter or verification from a certified surveyor or engineer verifying that the relevant property or properties are contiguous with the annexing city or town and that no enclaves will be created if the property or properties are accepted by the city or town; and

✓ (F) include a schedule of services of the annexing city or town that will be extended to the area within three (3) years after the date the annexation becomes final.

NA [Additionally, we note that the legal description in (B) does not include in its description certain dedicated public roads and rights of way abutting or traversing the property to be annexed, the legal descriptions for which are included on the attached Exhibit "A"]

Please contact me if you have any questions.

Michael D. Million
Manager - GIS-Mapping Dept.
Benton County Assessor's Office
Phone: 479-271-1037, ext. 7004
Email: michael.million@bentoncountyar.gov

FILED

2020 JUN 29 PM 3: 57

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

IN THE MATTER OF ANNEXING TO THE CITY
OF BENTONVILLE, ARKANSAS CERTAIN TERRITORY
CONTIGUOUS TO SAID CITY

NO. CC 2020-10

PETITION FOR ANNEXATION - 100 % OF OWNERS PETITIONING

DATE: 6/26/2020

Come now the undersigned petitioners, and state as follows:

1. That we, owning 100% of the property in the following described area, do hereby petition, pursuant to A.C.A. §14-40-609, the City Council of Bentonville, Arkansas, to annex the following lands to the City of Bentonville, Arkansas.

Refer to Exhibit "A"

2. We further state that this petition is signed by one hundred percent (100%) of the real estate owners owning one hundred percent (100%) of the acreage in said area and that the area to be annexed does not contain property whose owners do not wish to have their property annexed.

3. That said property description herein is contiguous to and adjoining the present City of Bentonville city limits, as shown on the map attached hereto as Exhibit "B".

4. That no enclaves will be created if this petition is accepted and the territory annexed into the City of Bentonville.

5. That the following schedule of services shall be extended to the area by the City of Bentonville within three (3) years after the date the annexation becomes final:

All properties annexed into the City of Bentonville are provided with Police, Fire and EMS services.

Additional services such as water and sewer may be provided if readily available. Such services are provided in accordance with existing ordinances and terms of service, including but not limited to the payment of required fees, the necessary permits, inspections and approvals.

FILED

2020 JUN 29 PM 3: 57

BETSY HARRELL
CO. & PROBATE CLERK
BENTON COUNTY, AR

6. That a letter or title opinion from a certified abstractor or title company verifying that the petitioners are all owners of record of the relevant property or properties is attached hereto as Exhibit "C" and is made part of this petition as if set out word for word herein.

7. That a letter or verification from a certified surveyor or engineer verifying that the relevant property or properties are contiguous with the City of Bentonville and that no enclaves will be created if the property or properties are accepted by the City of Bentonville is attached hereto as Exhibit "D" and is made part of this petition as if set out word for word herein.

8. That each of the undersigned persons executing this petition has confirmed by their signature a desire that their property, which is included in the property described above, be annexed into the City of Bentonville.

FILED

2020 JUN 29 PM 3: 57

I confirm my desire that property owned by me, which is to be included in a petition to annex property, be annexed into the City of Bentonville.

CHRYL BENTON
CO & PROBATE CLERK
BENTON COUNTY, AR

If the property being annexed is owned jointly, I attest that all owners of the property are signing a copy of this confirmation.

If the property is owned by a trust, I attest either that I have the authority to sign this confirmation on behalf of the trust, or that all persons required to do so by the trust are signing a copy of this confirmation.

If the property is owned by a corporation, limited liability company or other entity I attest either that I have the authority to sign this confirmation on behalf of the entity, or that all persons required to do so by the entity's governing documents are signing a copy of this confirmation.

Signature of Property Owner or
Legal Representative of Property Owner,
Petitioner

Title, if applicable (i.e. Trustee,
(Managing Member, President,
Secretary)

18-08920-000 & 18-08920-001
Parcel number of property to be annexed

ACKNOWLEDGMENT

Montana
State of ~~Arkansas~~ Montana (JS)
County of ~~Benton~~ Sanders (JS)

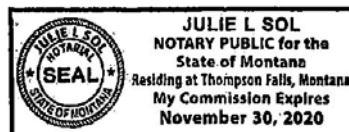
ss.

On this the 19 day of June, 2020, before me, the undersigned officer, personally appeared Trent Harman (JS), known to me (or satisfactorily proven) to be the person whose name is subscribed above and acknowledged and attested that it was executed for the purposes therein apparent.

NOTARY PUBLIC

My Commission Expires:

11/30/2020



FILED

2020 JUN 29 PM 3:57

I confirm my desire that property owned by me, which is to be included in a petition to annex property, be annexed into the City of Bentonville.

BETSY HARPELL
CO & PROBATE CLERK
BENTON COUNTY, AR

If the property being annexed is owned jointly, I attest that all owners of the property are signing a copy of this confirmation.

If the property is owned by a trust, I attest either that I have the authority to sign this confirmation on behalf of the trust, or that all persons required to do so by the trust are signing a copy of this confirmation.

If the property is owned by a corporation, limited liability company or other entity I attest either that I have the authority to sign this confirmation on behalf of the entity, or that all persons required to do so by the entity's governing documents are signing a copy of this confirmation.

Signature of Property Owner or
Legal Representative of Property Owner,
Petitioner

Title, if applicable (i.e. Trustee,
(Managing Member, President,
Secretary)

18-08920-000 & 18-08920-001
Parcel number of property to be annexed

ACKNOWLEDGMENT

State of ~~Arkansas~~ ^{Montana})
County of ~~Benton~~ ^{Sanders})

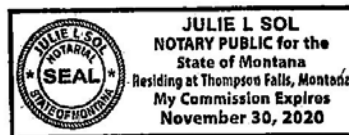
ss.

On this the 19 day of June, 2020, before me, the undersigned officer, personally appeared Sarah Harmon, known to me (or satisfactorily proven) to be the person whose name is subscribed above and acknowledged and attested that it was executed for the purposes therein apparent.

NOTARY PUBLIC

My Commission Expires:

11/30/2020



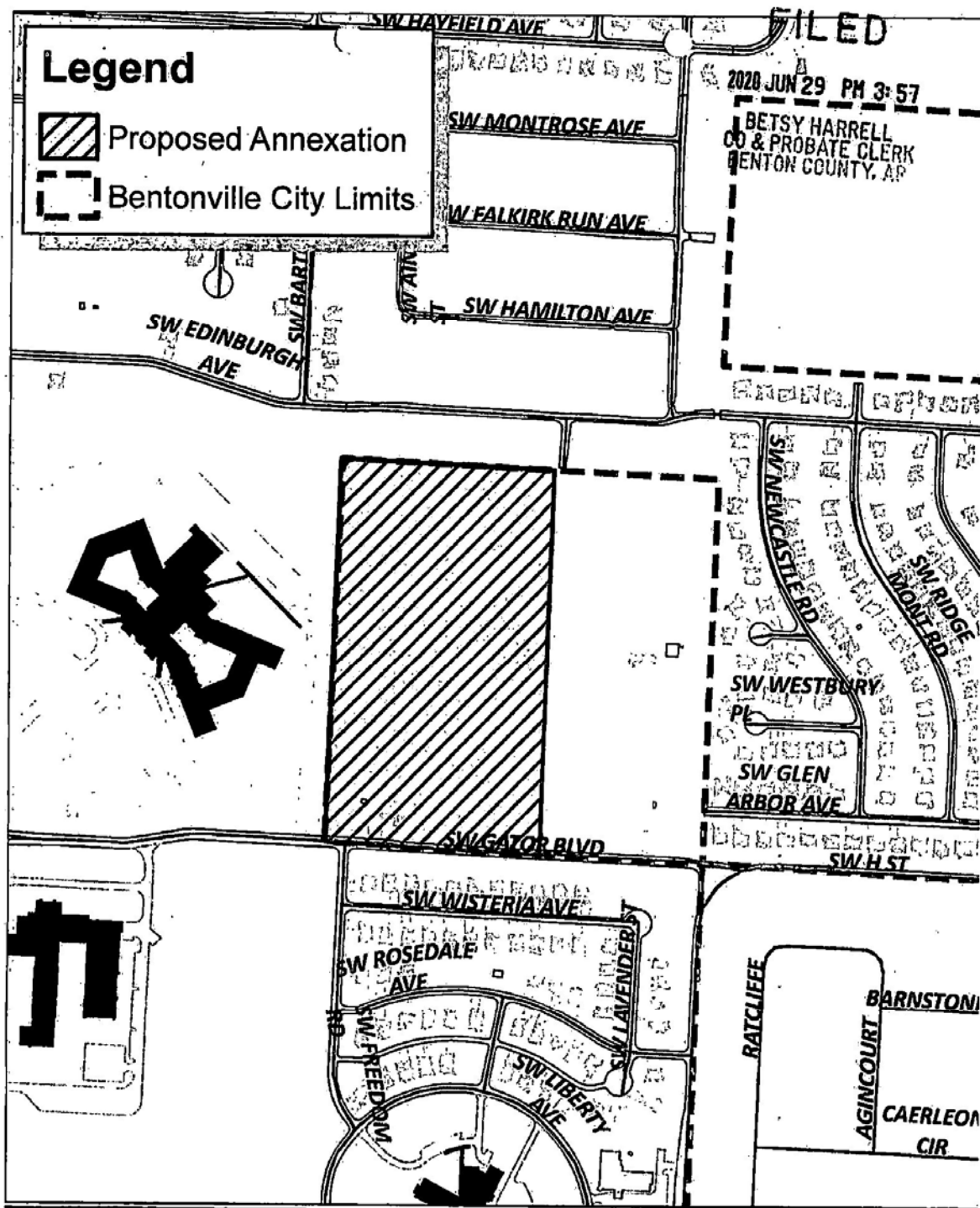
FILED

2020 JUN 29 PM 3: 57

TRENTON HARMON ANNEXATION
EXHIBIT "A"

BETSY HARRELL
CO. & PROBATE CLERK
BENTON COUNTY, AR

The West $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 13, Township 19N, Range 31W, Benton County, Arkansas, Containing 20 Acres More or Less.



FILED
 2020 JUN 29 PM 3:57
 BETSY HARRELL
 CO & PROBATE CLERK
 BENTON COUNTY, AR

1 inch = 417 feet

EXHIBIT 'B'
Trenton Harmon Annexation



Benton
216 W Sevier Street
Benton, AR 72015

Bentonville
300 SW 28th Street
Bentonville, AR 72712

Eureka Springs
70 S. Main Street, Suite 2
Eureka Springs, AR 72632

Fayetteville
1420 Augustine Lane, Suite 1
Fayetteville, AR 72703

Sheridan
206 N Rose Street
Sheridan, AR 72150



First National
Title Company

Headquarters
First National Title Company
Little Rock
415 N McKinley Street Suite 1200
Little Rock, AR 72205

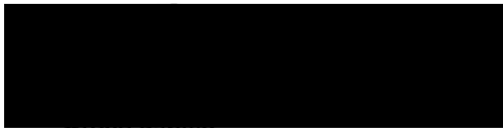
EXHIB - "C" FILED

Franklin County Title Company Little Rock Title Company
A Division of First National Title Company
Conway
711 Locust Street
Conway, AR 72034
1001 W. Markham Street #100
Benton, AR 72201
CO & PROBATE CLERK
BENTON COUNTY, AR

June 23, 2020

Greetings,

This letter is given in connection with what is understood to be an effort to voluntarily annex certain real property into the City of Bentonville. Based on our review, we verify that the persons listed in Exhibit C-1 to this letter are all the owners of record of the real property described in Exhibit C-2 to this letter.



Steve Fangle

Benton County Manager

First National Title

www.firstnationaltitle.net

FILED

2020 JUN 29 PM 3: 57

TRENTON HARMON ANNEXATION
EXHIBIT "C-1"

**BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR**

Trenton H. & Sarah C. Harmon

**18-08920-000
18-08920-001**

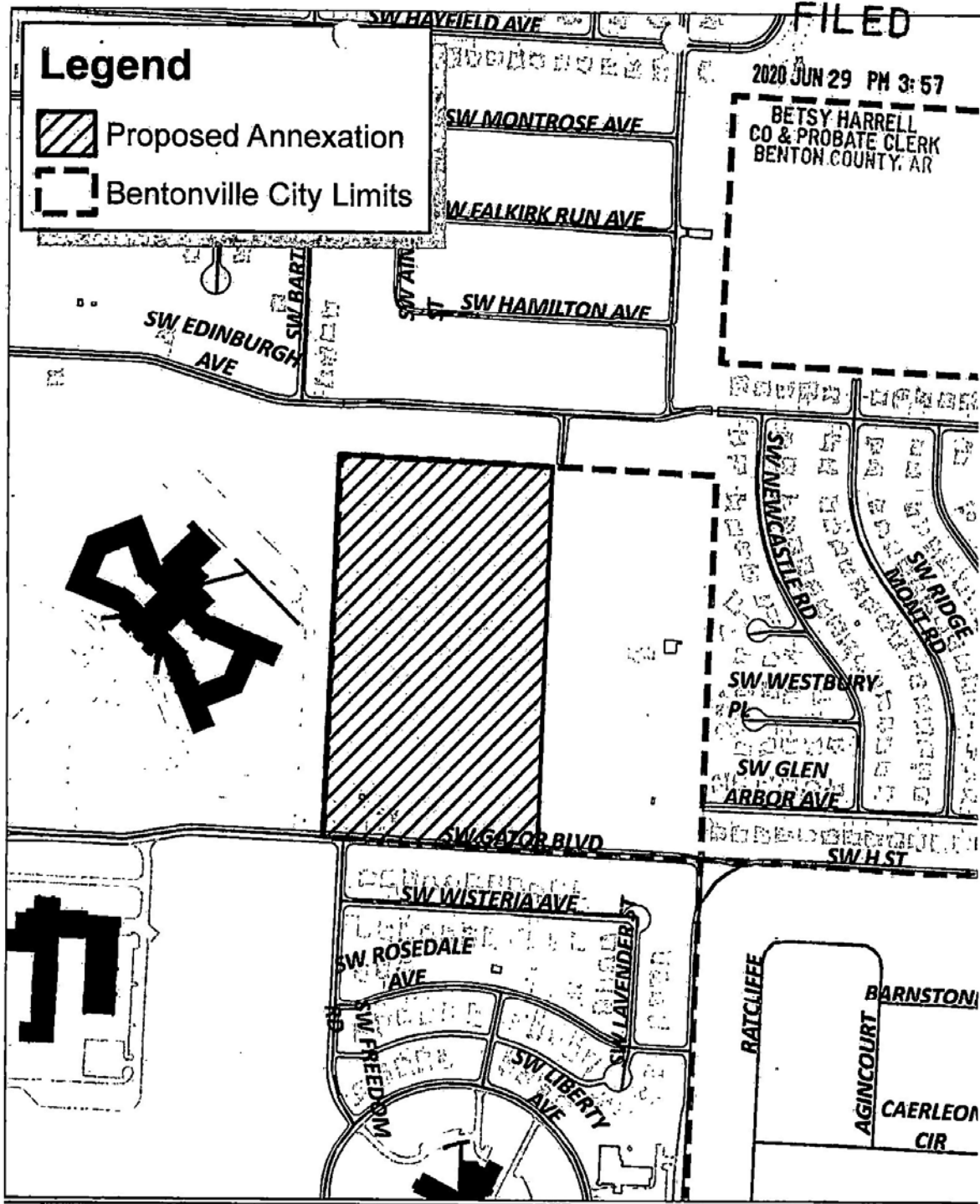
FILED

2020 JUN 29 PM 3:57

TRENTON HARMON ANNEXATION
EXHIBIT "C-2"

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

The West ½ of the SW ¼ of the NE ¼ of Section 13, Township 19N, Range 31W, Benton
County, Arkansas, Containing 20 Acres More or Less.



FILED

2020 JUN 29 PM 3:57
 BETSY HARRELL
 CO & PROBATE CLERK
 BENTON COUNTY, AR



1 inch = 417 feet

EXHIBIT 'C-2'
Trenton Harmon Annexation



(
EXHIBIT "D"

FILED

2020 JUN 29 PM 3: 58

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Greetings:

This letter is given in connection with what is understood to be an effort to voluntarily annex certain real property (Trenton Harmon Annexation) into the City of Bentonville. I am a licensed Professional Engineer in the State of Arkansas. Based on my review, I verify that the real property described in Exhibit D-1 to this letter is contiguous with the City of Bentonville and that no enclaves will be created if the described property is accepted by the City of Bentonville.

Sincerely,

[Redacted Signature]

STATE OF
ARKANSAS
No. 11416
TRAVIS W. MATLOCK
6/23/20

Travis Matlock, P.E.

FILED

2020 JUN 29 PM 3: 58

**BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR**

TRENTON HARMON ANNEXATION
EXHIBIT "D-1"

The West $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 13, Township 19N, Range 31W, Benton County, Arkansas, Containing 20 Acres More or Less.

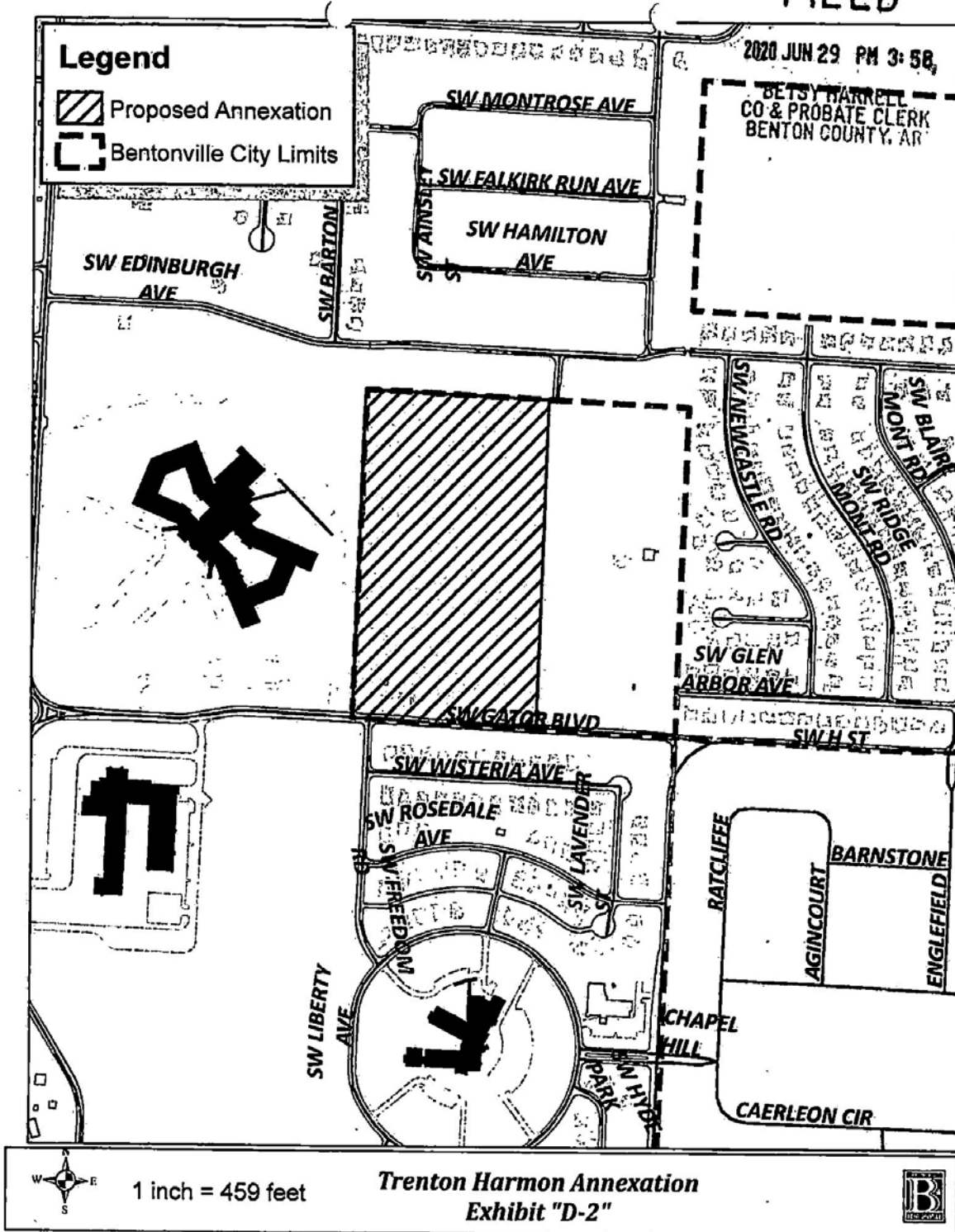
FILED

2020 JUN 29 PM 3: 58,

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Legend

-  Proposed Annexation
-  Bentonville City Limits



Trenton Harmon Annexation
Exhibit "D-2"

FILED



**ARKANSAS
GIS OFFICE**

2020 JUN 29 PM 3: 58

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

Department of Transformation
and Shared Services
Governor Asa Hutchinson
Secretary Amy Fecher
Director Shelby Johnson

June 22, 2020

Mr. Jim Wheelless
GIS Coordinator - City of Bentonville
305 SW A Street
Bentonville, AR 72712

RE: City of Bentonville Coordination Requirement

Mr. Wheelless,

Thank you for coordinating with our office as you seek to annex property into the City of Bentonville, AR described as the "Trenton Harmon Annexation" and located in Section 13, Township 19 North, Range 31 West. This letter represents confirmation that you have properly coordinated with our office (Arkansas GIS Office) as specified in § 14-40-101 (Act 914 of 2015) of the 90th General Assembly.

Our office will wait completion of any additional steps necessary for the proposed boundary change, which normally comes from the Arkansas Secretary of State Elections Division after any appropriate filing by your County Clerk.

Thank you,



Jennifer Wheeler, GIS Analyst

Attachments:
GIS Office Map of Proposed Annexation
Legal Description
Secretary of State Municipal Change Checklist

H:\City_Annexations\Cities\Bentonville\20200622\Doc\20200622_Bentonville_Annexation_Coordination_Letter.docx

ARKANSAS GIS OFFICE

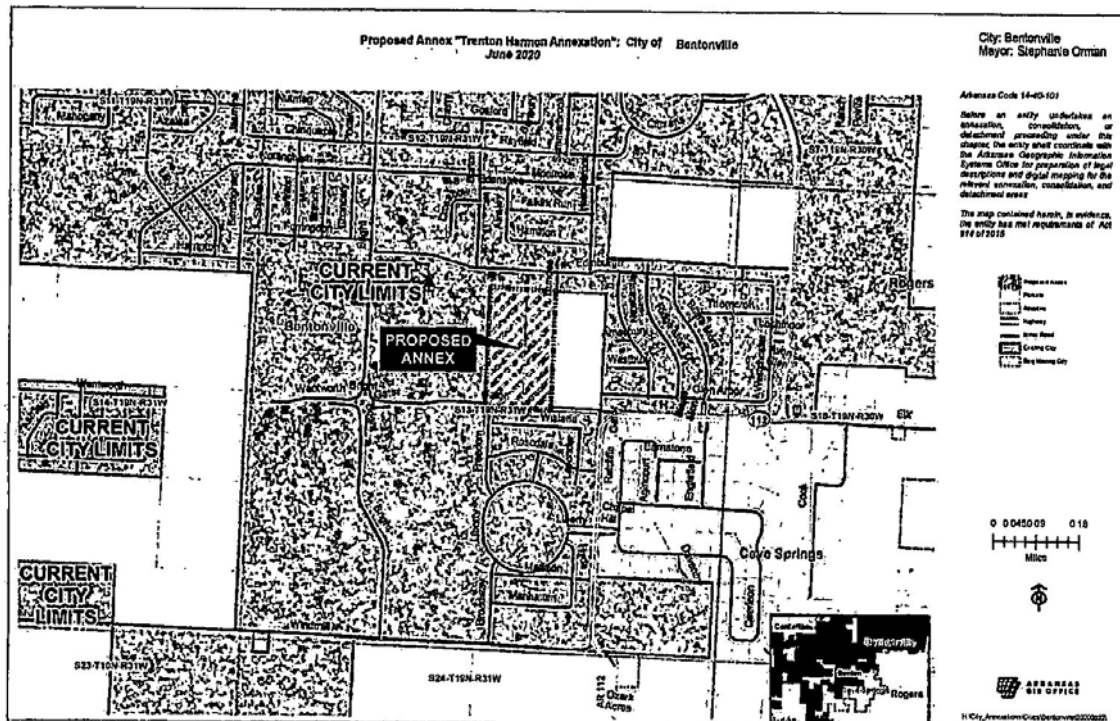
Capitol Mall, Suite 6D • Little Rock, AR 72201 • 501.682.2767
gis.arkansas.gov • transform.ar.gov



FILED

2020 JUN 29 PM 3:58

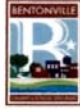
BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR



2020 JUN 29 PM 3: 58

BETSY HARRELL
CO & PROBATE CLERK
BENTON COUNTY, AR

[Faint handwritten notes and markings are visible across the page.]



City Council Agenda Items

For City Council Meeting of August 25, 2020
From the August 18, 2020 Planning Commission Meeting

a. Ordinance: Group Homes.

The Planning Commission voted 7-0, recommending approval.

Bentonville's Zoning Code does not currently regulate group homes. After receiving requests to locate group homes in residential neighborhoods, the city retained legal counsel to prepare regulations that preserve the character of residential neighborhoods while complying with the Federal Fair Housing Amendment Act of 1988.

b. Ordinance: Detention Ponds.

The Planning Commission voted 7-0, recommending approval.

In 2005, City Council adopted Ordinance No. 2005-101 that set a deadline of September 10, 2005 for detention and retention ponds to be deeded to the city for ownership and maintenance. During the growth and development of Bentonville over the last fifteen years since Ordinance 2005-101 was adopted, code enforcement, engineering, and planning have dealt with maintenance and mowing issues with detention and retention ponds.

City staff has identified fourteen ponds that have become attractive nuisances for the subdivisions in which they provide storm water control. Through property owner changes, failed LLC's and POA's, city staff has used all means necessary to address the concerns of the residents while balancing the needs of the city cost-effectively.

Staff requests the deed deadline be changed from September 10, 2005 to November 20, 2020. This allows the city to accept these fourteen ponds to ensure repairs and maintenance can occur for a publicly owned property.

c. Ordinance changing real estate from R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential, Levi Brewer, 1001 NW A Street.

The Planning Commission voted 7-0, recommending approval.

The Future Land Use Plan for this area is Medium Density Residential. Chapter 5, Neighborhoods and Housing, of the Community Plan classifies this area as neighborhood transformation, where existing neighborhoods are experiencing redevelopment due to several factors, including the age or condition of housing, proximity to other amenities, or the cost of the land. Goals within this section include providing various housing types to meet the spectrum of demands from Bentonville's diverse population. The intent is also to improve the character of the existing neighborhoods and ensure that future neighborhoods reflect a compatible and high level of design.

1001 NW A Street is a vacant lot in an area experiencing redevelopment and zoning changes to support a variety of housing options. The area currently supports duplex,

single-family, and small-scale apartments. This area will continue to infill new homes on existing vacant lots and redevelop when the existing housing stock has reached the end of use. The overall trend has been infill and redevelopment. An alley was vacated on the south side of this property in 1987, by resolution 1987-71. Any sewer, water, or other utility extensions required for development of this lot will be at the owner's expense.

The Bentonville Community Plan's Chapter 5, Neighborhoods and Housing, and the Future Land Use Map support this zoning request. Staff has reviewed this application and recommends approval.

d. Ordinance changing real estate from C-3, Mixed-Use Commercial to C-2, General Commercial, Bentonville Plaza Land, LLC, 1005 S Walton Boulevard.

The Planning Commission voted 7-0, recommending approval.

The Future Land Use Plan currently depicts this property as General Commercial. General commercial areas include uses that serve both nearby residents and those coming from other parts of the city or region. Appropriate uses in these areas include retail, restaurants, services, and offices. Vertical mixed-use developments are encouraged, but are not as high a priority as in mixed-use or downtown commercial areas. General commercial uses should balance access between pedestrians and vehicles, though the impacts of parking should be minimized through site design and landscaping.

The proposed zoning of C-2 is consistent with the Future Land Use Plan. C-2, General Commercial, areas should include uses that serve both nearby residents and those coming from other parts of the city or region. According to the applicant's narrative, the intent of the rezoning request is to provide food, beverage, retail, and other by-right uses for the property. Adjacent commercial developments to the north, south and west would also infer that a C-2, General Commercial zoning designation may be warranted. Staff recommends approval of the rezoning due to the site's location along an Arterial street, adjacent zonings, and uses. South Walton Boulevard contains a number of commercial uses along the corridor.

e. Ordinance changing real estate from R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential, Clear T, LLC, 408 SE D Street.

The Planning Commission voted 6-0, recommending approval. Wright recused himself.

The Future Land Use Plan currently depicts this property as High Density Residential. High-density residential areas include a variety of housing types ranging from single-family, apartments, condominium buildings, senior housing, and special types of group living. They may even include some mixed-use developments. These areas vary greatly in terms of density depending on scale, but typically have at least 12 units per acre. These areas may also have integrated amenities for residents, including local parks, community centers, and resident-oriented commercial uses. These areas are found both near Downtown and in some recent growth areas near the core of Downtown.

According to the applicant's narrative, their intent of the rezoning request is to construct a single-family attached structure on the lot (one structure, two units). This

approach will allow for redevelopment of the property to occur while keeping the character and development patterns of the existing neighborhood intact. While the DN-2 district does allow for townhomes at the end of block, only single or two family residences would be allowed on this property due to its mid-block location. Staff recommends approval of the rezoning request due to the site's compatibility with the Future Land Use Plan, existing use, and surrounding uses.

f. Ordinance changing real estate from I-2, Heavy Industrial, R-3, Medium Density Residential, R-O, Residential Office, and C-2, General Commercial to PUD, Planned Unit Development, Wal-Mart Stores, Inc., 301 SE J Street.

The Planning Commission voted 6-0, recommending approval. Haynie recused himself.

The Future Land Use Plan currently depicts this property as General Commercial. General Commercial areas typically include uses that serve nearby residents and those coming from other parts of the region. They encourage a variety of commercial uses and should balance access between vehicles and pedestrians. The General Commercial land use category is compatible with the proposed Planned Unit Development.

According to the applicant's narrative the purpose of their Planned Unit Development is to provide a smart and sustainable design and a connected campus rooted in the community. The Campus seeks to meet these goals through the use of local materials, environmentally friendly design, connection with the Razorback Greenway and 8th Street, and building and architectural selections to serve as an extension of the existing community.

The Commerce and Industry Chapter of the 2015 Bentonville Community Plan is of special importance to this project. The Chapter's Community-Wide Recommendations suggest the City require a high quality of design and make unique and interesting places. In addition, the chapter depicts this property as being within the East Side Walmart Employment Sector Area. The plan notes that this area should serve as a link between the western trail network (which includes Downtown and Crystal Bridges) and the eastern trail network (which includes NWACC and the City of Rogers).

This Planned Unit Development, through its use of unique design, open space, and pedestrian connectivity, meets the purpose and intent of the PUD ordinance and of the Commerce and Industry Chapter of the Community Plan. Staff recommends approval of this rezoning request.

g. Ordinance accepting a final plat of Providence Village Phase II.

The Planning Commission voted 7-0, recommending approval.

The final plat consists of ninety-nine (99) single-family lots with an average lot size of 7,880 square feet. The plat dedicates various 50-foot & 52-foot public street rights-of-ways within the subdivision and various public utility easements to serve the development. The plat does meet the minimum requirements of the land development regulations, therefore staff recommends approval.

ORDINANCE STAFF REPORT



Group Home Ordinance

PC Date: 8/18/2020

Reviewer: Shelli Kerr, AICP, Comprehensive Planning Manager

<http://www.bentonvillear.com/198/Code-Amendments>

Bentonville's Zoning Code does not currently regulated group homes. After receiving requests to locate group homes in residential neighborhoods, the city retained legal counsel to prepare regulations that preserve the character of residential neighborhoods while complying with the Federal Fair Housing Amendment Act of 1988.

The proposed ordinance recommends the following:

- Revise the definition of “family” to better address how unrelated mentally or physically handicapped persons are afforded equal access to housing.
- Establish a definition for “group home.”
- Allow applicants to request for accommodation to afford handicapped persons equal access to housing pursuant to the Federal Fair Housing Amendment Act of 1988.
- Allow group homes by-right in commercial districts and only with a conditional use in residential districts.
- Establish review criteria for conditional use requests that includes:
 - Impacts to the neighborhood
 - Spacing of existing similar facilities
 - Zoning and land use patterns
 - Number of individuals served, employees and services proposed
 - Need and provision for public transportation
 - Access to support services
 - Availability of adequate on-site parking
- Include presumption that conditional use requests for up to six handicapped persons would be granted if meeting all other requirements.

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE ZONING CODE OF THE CITY OF BENTONVILLE, ARKANSAS, PROVIDING FOR DEFINITIONS AND LAND USE REGULATIONS RELATED TO CERTAIN RESIDENTIAL USES.

WHEREAS, the Bentonville Planning Commission and City Council have determined that it is appropriate to make certain modifications to several sections of the Zoning Code of the City of Bentonville, Arkansas, related to certain uses which are residential in nature; and

WHEREAS, the proposed modifications were presented and discussed at a public hearing of the Bentonville Planning Commission where the Planning Commission voted to recommend approval of the modifications; and

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

Section 1: That Article 201 Definitions shall be and is hereby amended by deleting the definition of "family" in its entirety and replacing with a new definition to read as follows:

Family: In addition to customary domestic servants, family shall mean the following: (1) An individual or two (2) or more persons related by blood, marriage, or adoption, maintaining a common household in a dwelling unit; or (2) a group of not more than four (4) persons who are not related by blood, marriage, or adoption, living together as a common household in a dwelling unit. The City is defining family for the purpose of preserving the character of residential neighborhoods by controlling population density, noise disturbance, and traffic congestion, and shall not be applied so as to prevent the city from making reasonable accommodation where the city determines it necessary to afford handicapped persons living together in a household equal access to housing pursuant to the Federal Fair Housing Amendments Act of 1988.

Section 2: That Article 201 Definitions shall be and is hereby amended by adding the following definition of "group home" to read as follows:

Group Home: A facility that does not fall within another defined facility category within this Article and which provides housing in a family-like environment to more than four (4) handicapped individuals.

Section 3. That Article 301 Administration and Enforcement shall be and is hereby amended to provide for the addition of a new sub-section to read as follows:

Sec. 301.11 Accommodation. Should an applicant believe that circumstances make it necessary to seek an accommodation from the requirements of this Code to afford handicapped persons equal access to housing pursuant to the Federal Fair Housing Amendment Act of 1988, the applicant is responsible for submitting a request to the Bentonville Planning Staff setting forth in detail the needed accommodation. The request shall subsequently be referred to the Planning Commission for a decision on the request.

Section 4: That Article 401 Zoning Regulations, Section 401.05 Table of Uses shall be and is hereby amended by adding the land use "group home" to the Table of Uses and allowing "group home" with a conditional use in all agriculture, residential, downtown residential, and industrial zoning districts and by right in all commercial and downtown commercial zoning districts.

Section 5. That Article 601 Use Regulations shall be and is hereby amended by adding the following as Sec. 601.32 Group Homes to read as follows.

Sec. 601.32 Group homes.

(a) *Conditional use permit required.* No person or business shall operate a group home within the city limits without a valid conditional use permit, except in zoning districts where the use is allowed by right.

(b) *Neighborhood impacts.* Separation, spacing, and procedural requirements for group homes will be determined by the Planning Commission so as not to adversely impact the surrounding properties in the neighborhood. For this Section, a "neighborhood" shall be defined as an area incorporating all properties lying within 1,500 feet of the site, unless the Commission determines that a different area is more appropriate, for which the permit is requested.

(c) *Review criteria.* The planning commission shall consider during its review of a group home the following, but not limited to:

- (1) *Spacing of existing similar facilities.*
- (2) *Existing zoning and land use patterns.*
- (3) *The maximum number of individuals proposed to be served, the number of employees proposed, and the type of services, being proposed.*
- (4) *The need and provision for readily accessible public or quasi-public transportation.*
- (5) *Access to needed support services such as social services agencies, employment agencies, and medical service providers.*
- (6) *Availability of adequate on-site parking.*
- (7) *There shall be a presumption that a conditional use permit for a group home of five (5); or six (6); ~~seven (7); or eight (8)~~ handicapped persons will be granted if all ordinance requirements are met except that individuals whose tenancy would constitute a direct threat to the health or safety of other individuals or whose tenancy would result in substantial physical damage to the property of others shall not be allowed in such a home.*

(e) *Fire Marshal approval.* The fire marshal must approve the use of any structure proposed as a group home.

(f) *State requirements.* Group Homes shall be operated within any and all applicable licensing and procedural requirements established by the State of Arkansas.

Section 7. That all ordinances or parts of ordinances in conflict herewith should be and the same are hereby repealed.

Section 8. Should any section or provision of this ordinance be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the ordinance as a whole or any part thereof, other than the part so declared to be invalid.

Section 9. This Ordinance shall be in full force and effect 30 days from the date of its passage and approval.

PASSED and APPROVED this ____ day of _____, 2020.

Approved:

ATTEST:

Stephanie Orman, Mayor

City Clerk

DRAFT

ORDINANCE STAFF REPORT



Detention Pond Amendment

PC Date: 8/18/2020

Reviewer: Brian Bahr, Planning Services Manager

<http://www.bentonvillear.com/198/Code-Amendments>

History

In 2005, City Council adopted Ordinance No. 2005-101 that set a deadline of September 10, 2005 for detention and retention ponds to be deeded to the city for ownership and maintenance.

Issue

During the growth and development of Bentonville over the last fifteen years since Ordinance 2005-101 was adopted, code enforcement, engineering, and planning have dealt with maintenance and mowing issues with detention and retention ponds.

City staff has identified fourteen ponds that have become attractive nuisances for the subdivisions in which they provide stormwater control. Through property owner changes, failed LLC's and POA's, city staff has used all means necessary to address the concerns of the residents while balancing the needs of the city cost-effectively.

Recommendation

Staff requests the deed deadline be changed from September 10, 2005 to November 20, 2020. This allows the city to accept these fourteen ponds to ensure repairs and maintenance can occur for a publicly owned property.

ORDINANCE NO. _____

**AN ORDINANCE AMENDING THE LAND DEVELOPMENT CODE OF THE CITY
OF BENTONVILLE, ARKANSAS, PROVIDING FOR DETENTION POND
OWNERSHIP AND MAINTENANCE.**

WHEREAS, Ordinance No. 2005-101 established regulations of ownership of detention and retention ponds, and,

WHEREAS, the city wishes to allow detention and retention pond owners to be able to deed said property to the city in order for the city to assume maintenance.

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

Section 1: That Article 300.02(e) *Detention and Retention Ponds – ownership and maintenance* shall be and is hereby amended with the following change, strikethrough to be removed, underlined to be added:

- (1) *Residential subdivisions.* Stormwater detention and retention ponds deeded to the city by ~~September 10, 2005~~ November 30, 2020 shall be owned and maintained by the City. After ~~September 10, 2005~~ November 30, 2020, stormwater detention and retention ponds in new residential subdivisions shall remain under the ownership and maintenance of the property owner during development. Stormwater detention and retention ponds shall be deeded to the property owner's association upon filing of the final plat. Maintenance of the facilities shall be the responsibility of the property owner's association.

Section 2: That all ordinances or parts of ordinances in conflict herewith should be and the same are hereby repealed.

Section 3. This Ordinance shall be in full force and effect 30 days from the date of its passage and approval.

PASSED and APPROVED this ____ day of _____, 2020.

Approved:

ATTEST:

Stephanie Orman, Mayor

City Clerk

REZONING STAFF REPORT



Brewer

1001 NW A Street

PC Date: 8/18/2020

Reviewer: Brian Bahr, Planning Services Manager

Project Number	RZ20-0031
Applicant / Current Owner	Levi Brewer
Site Area	+/- 0.31 Acres
Current Zoning	R-1, Single Family Residential
Requested Zoning	DN-2, Downtown Medium-Density Residential
Future Land Use Map Designation	Medium Density Residential (MDR)

<https://arcgis/08HvK8>

Location Map



Property Description

This property is located at 1001 NW A Street and is currently zoned R-1, Single Family Residential. Adjacent zonings are R-1, Single Family Residential to the north, west, south and R-3, Medium Density Residential to the east.

Relationship to the Bentonville Community Plan

The Future Land Use Plan for this area is Medium Density Residential. Chapter 5, Neighborhoods and Housing, of the Community Plan classifies this area as neighborhood transformation, where existing neighborhoods are experiencing redevelopment due to several factors, including the age or condition of housing, proximity to other amenities, or the cost of the land. Goals within this section include providing various housing types to meet the spectrum of demands from Bentonville's diverse population. The intent is also to improve the character of the existing neighborhoods and ensure that future neighborhoods reflect a compatible and high level of design.

Public Comment

Staff has received comment regarding this request.

Analysis

1001 NW A Street is a vacant lot in an area experiencing redevelopment and zoning changes to support a variety of housing options. The area currently supports duplex, single-family, and small-scale apartments. This area will continue to infill new homes on existing vacant lots and redevelop when the existing housing stock has reached the end of use. The overall trend has been infill and redevelopment. An alley was vacated on the south side of this property in 1987, by resolution 1987-71. Any sewer, water, or other utility extensions required for development of this lot will be at the owner's expense.

Conclusion

The Bentonville Community Plan's Chapter 5, Neighborhoods and Housing, and the Future Land Use Map support this zoning request. Staff has reviewed this application and recommends approval.

Rezoning Narrative 1001 NW A St.

Current Zoning Designation: R1- Single Family Residential

Proposed Zoning Designation: DN2- Downtown Medium Density Residential

Explanation: Homeowners Levi & Cassidy Brewer (mailing address: 406 NW H St., Bentonville AR 72712) proposes to rezone the property at 1001 NW A St. (Parcel # 01- 02755-000) from R1 to DN2, in order to develop a single family home in compliance with DN2 standards. Cultured Construction LLC is the contracted builder for the home.

Reason to Rezone: There is a 13 ½ foot street right-of-way at the east side of the property, which affects the ability to achieve the intended outcome for Mr. & Mrs. Brewer's personal home according to their house plans. DN2 would allow for a reasonable front setback considering the extent of right-of-way.

Statement of how the property will relate to surrounding properties: The house plans proposed for the property will fit in form and scale with similar surrounding single-family homes. There also seems to be other DN2 zoned properties within a reasonable radius of the property.

Use: This residential home will conform to the overall downtown plan.

Traffic: The home should not impact current traffic patterns along NW A St.

Signage: None proposed.

Appearance: Similar in style to other newly built single-family homes in the surrounding area.

Water/ Sewer/ Electric: Available at site.

ORDINANCE NO. _____

AN ORDINANCE CHANGING REAL ESTATE IN THE CITY OF BENTONVILLE, ARKANSAS, FROM ITS PRESENT ZONING CLASSIFICATION OF R-1, SINGLE FAMILY RESIDENTIAL TO DN-2, DOWNTOWN MEDIUM-DENSITY RESIDENTIAL (PROJECT NUMBER: RZ20-0031).

WHEREAS, Levi Brewer duly filed a petition with the Planning Commission requesting that the hereinafter described property situated in Benton County, Arkansas, be changed from its present zoning classification of R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential to be used in accordance with city zoning laws and state laws, which property is described as follows:

TRACT C IN GREEN ACRES SUBDIVISION, CITY OF BENTONVILLE, BENTON COUNTY, ARKANSAS, AS SHOWN IN PLAT BOOK S, PAGE 265, SUBJECT TO A 15 FOOT ALLEY ACROSS THE SOUTH SIDE THEREOF AND STREET RIGHT-OF-WAY ALONG THE EAST SIDE THEREOF; and,

WHEREAS, the Planning Commission duly met and considered the application and duly set the petition for public hearing to be held August 18, 2020 in the Council Chambers of the City of Bentonville; and,

WHEREAS, public notice of said hearing having been published in the Northwest Arkansas Democrat-Gazette for the time and in the manner required by law; and,

WHEREAS, the Planning Commission voted to recommend to the City Council that the petition be approved and that said property be rezoned from its present classification of R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential.

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

Section 1: That the above described real property is hereby changed from its present zoning classification of R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential to be used in accordance with the city zoning laws and state laws.

PASSED AND APPROVED this _____ day of _____, 2020.

APPROVED:

ATTEST:

Stephanie Orman, Mayor

City Clerk

REZONING STAFF REPORT



Bentonville Plaza Land, LLC

1005 South Walton Boulevard

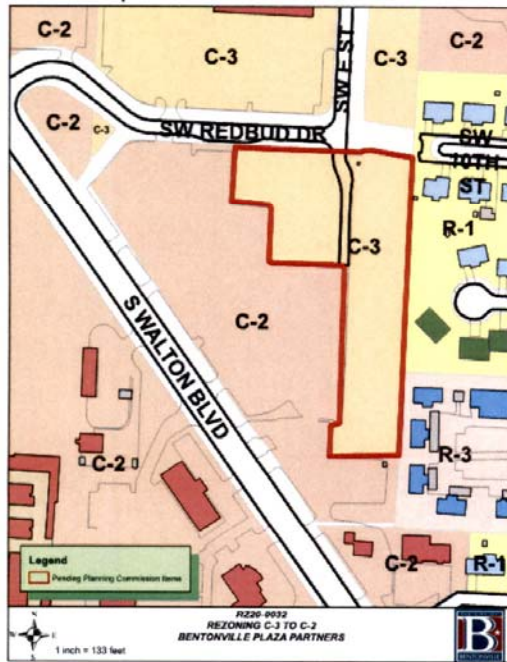
PC Date: 8/18/2020

Reviewer: Jon Stanley, Senior Planner

Project Number	RZ20-0032
Applicant / Current Owner	Bentonville Plaza Land, LLC 6824 N. Robinson Road Oklahoma City, OK
Site Area	+/- 3.30 acres
Current Zoning	C-3, Mixed-Use Commercial
Requested Zoning	C-2, General Commercial
Future Land Use Map Designation	Commercial (C)

<https://arcg.is/08HvK8>

Location Map



Property Description

This property is located at 1005 South Walton Boulevard, an Arterial road that runs north and south through the center of the city. It is currently zoned C-3, Mixed-Use Commercial. On August 4th, 2020 a preliminary plat was approved at this location for a commercial subdivision pending this rezoning request.

Relationship to the General Plan

The Future Land Use Plan currently depicts this property as General Commercial. General commercial areas include uses that serve both nearby residents and those coming from other parts of the city or region. Appropriate uses in these areas include retail, restaurants, services, and offices. Vertical mixed-use developments are encouraged, but are not as high a priority as in mixed-use or downtown commercial areas. General commercial uses should balance access between pedestrians and vehicles, though the impacts of parking should be minimized through site design and landscaping.

Public Comment

Staff has NOT received public comment regarding this request.

Analysis

The proposed zoning of C-2 is consistent with the Future Land Use Plan. C-2, General Commercial, areas should include uses that serve both nearby residents and those coming from other parts of the city or region. According to the applicant's narrative, the intent of the rezoning request is to provide food, beverage, retail, and other by-right uses for the property. Adjacent commercial developments to the north, south and west would also infer that a C-2, General Commercial zoning designation may be warranted.

Conclusion

Staff recommends approval of the rezoning due to the site's location along an Arterial street, adjacent zonings, and uses. South Walton Boulevard contains a number of commercial uses along the corridor.



July 13, 2020

RE: Bentonville Plaza Commercial Subdivision
Bentonville, AR

Dear Bentonville Planning Commission,

HFA has submitted for a preliminary plat for Bentonville Plaza Land, LLC for an approximately 8.64 acre site located at the SE intersection of S. Walton Blvd. & Redbud Drive. We are proposing to rezone the current C-3 portion of the site to C-2 so that the overall subdivision can be one uniform zone. While the future tenants of the site are unknown at this time, the lots will all comply with the overall C-2 zoning district. If I can provide any additional information on this rezone request, please let me know.

Sincerely,



Kelsey Kreher
Civil Team Lead
(816) 872-7190

ORDINANCE NO. _____

AN ORDINANCE CHANGING REAL ESTATE IN THE CITY OF BENTONVILLE, ARKANSAS, FROM ITS PRESENT ZONING CLASSIFICATION OF C-3, MIXED-USE COMMERCIAL TO C-2, GENERAL COMMERCIAL (PROJECT NUMBER: RZ20-0032).

WHEREAS, Bentonville Plaza Land, LLC duly filed a petition with the Planning Commission requesting that the hereinafter described property situated in Benton County, Arkansas, be changed from its present zoning classification of C-3, Mixed-Use Commercial to C-2, General Commercial to be used in accordance with city zoning laws and state laws, which property is described as follows:

A PART OF LOTS 8, 12, AND 13 OF THE PROPERTY LINE ADJUSTMENT CREATING LOTS 8-13, BENTONVILLE PLAZA ADDITION, PLAT BOOK 2016 AT PAGE 145 AT THE CIRCUIT CLERK'S OFFICE, BENTON COUNTY, ARKANSAS. AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING (POB) AT THE NORTHEAST CORNER OF SAID LOT 13; THENCE S02°57'11"W, 471.75 FEET; THENCE S01°40'19"W, 184.37 FEET; THENCE N88°55'32"W, 152.19 FEET; THENCE N02°38'12"E, 74.17 FEET; THENCE S87°14'56"E, 19.95 FEET; THENCE N02°33'34"E, 267.53 FEET; THENCE N88°08'40"W, 5.05 FEET; THENCE N02°36'49"E, 78.26 FEET; THENCE N88°06'58"W, 166.14 FEET; THENCE N02°42'14"E, 127.32 FEET; THENCE N87°08'22"W, 85.00 FEET; THENCE N02°42'14"E, 120.01 FEET; THENCE S86°43'49"E, 275.73 FEET TO A NON-TANGENT CURVE TO THE RIGHT; THENCE ALONG SAID CURVE, AN ARC DISTANCE OF 23.37 FEET, SAID CURVE HAVING A RADIUS OF 28.20 FEET AND A CHORD BEARING AND DISTANCE OF N73°58'24"E, 22.71 FEET; THENCE S81°30'33"E, 91.21 FEET TO THE POINT OF BEGINNING (POB). CONTAINING 140509 SQUARE FEET, 3.23 ACRES AS SURVEYED. SUBJECT TO ANY EASEMENTS, RIGHTS-OF-WAY, OR COVENANTS OF RECORD.; and,

WHEREAS, the Planning Commission duly met and considered the application and duly set the petition for public hearing to be held August 18, 2020 in the Council Chambers of the City of Bentonville; and,

WHEREAS, public notice of said hearing having been published in the Northwest Arkansas Democrat-Gazette for the time and in the manner required by law; and,

WHEREAS, the Planning Commission voted to recommend to the City Council that the petition be approved and that said property be rezoned from its present classification of C-3, Mixed-Use Commercial to C-2, General Commercial.

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

Section 1: That the above described real property is hereby changed from its present zoning classification of C-3, Mixed-Use Commercial to C-2, General Commercial to be used in accordance with the city zoning laws and state laws.

PASSED AND APPROVED this _____ day of _____, 2020.

APPROVED:

ATTEST:

Stephanie Orman, Mayor

City Clerk

REZONING STAFF REPORT



Clear T, LLC

408 SE D Street

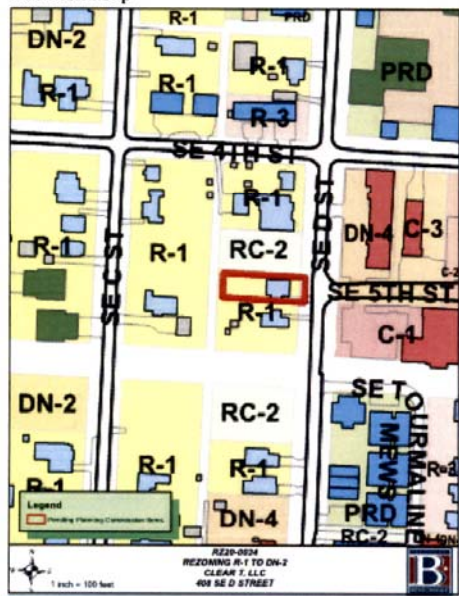
PC Date: 8/18/2020

Reviewer: Jon Stanley, Senior Planner

Project Number	RZ20-0034
Applicant / Current Owner	Clear T, LLC PO Box 1948 Fayetteville, AR 72702
Site Area	0.17 +/- acres
Current Zoning	R-1, Single Family Residential
Requested Zoning	DN-2, Downtown Medium-Density Residential
Future Land Use Map Designation	High Density Residential (HDR)

<https://arcg.is/08HvK8>

Location Map



Property Description

This property is located at 408 SE D Street and is currently zoned R-1, Single Family Residential. Adjacent zonings are R-1 to the north and west, R-C2 to the south, and DN-4 and C-1 to the west.

Relationship to the General Plan

The Future Land Use Plan currently depicts this property as High Density Residential. High-density residential areas include a variety of housing types ranging from single-family, apartments, condominium buildings, senior housing, and special types of group living. They may even include some mixed-use developments. These areas vary greatly in terms of density depending on scale, but typically have at least 12 units per acre. These areas may also have integrated amenities for residents, including local parks, community centers, and resident-oriented commercial uses. These areas are found both near Downtown and in some recent growth areas near the core of Downtown.

Public Comment

Staff has NOT received public comment regarding this request.

Analysis

According to the applicant's narrative, their intent of the rezoning request is to construct a single-family attached structure on the lot (one structure, two units). This approach will allow for redevelopment of the property to occur while keeping the character and development patterns of the existing neighborhood intact. While the DN-2 district does allow for townhomes at the end of block, only single or two family residences would be allowed on this property due to its mid-block location.

Conclusion

Staff recommends approval of the rezoning request due to the site's compatibility with the Future Land Use Plan, existing use, and surrounding uses.



July 13, 2020

City of Bentonville Planning Department
305 SW A Street
Bentonville, AR 72712

RE: Rezoning Request-408 SE D street-Lot 15 block 2

To Whom It May Concern:

We, RB Group, Inc are requesting to rezone the above mentioned property from R-1 single family to Downtown Medium Density residential-DN-2. The goal is to construct 2 single family attached residences (one structure, two residences). The footprint will be similar to the existing single family attached residences that are along this block. Also, the design and scale will be compatible with the multi-family structures along D Street. The intent is to construct 2 townhomes that are primary 2 story with a bedroom/bonus room located on a 3rd story with an open deck. The Exterior materials will be James Hardie siding, brick and wood panel siding with a standing seam metal roof.

All utilities, water, gas, electricity, and sewer are available at the site. Should you have any questions or need additional information please contact us at 501-960-1296

Sincerely,

Reginald Wright.

PO Box 1994 Bentonville, AR 72712 + Voice: 501.960.1296 + Fax: 866.222.1712

ORDINANCE NO. _____

AN ORDINANCE CHANGING REAL ESTATE IN THE CITY OF BENTONVILLE, ARKANSAS, FROM ITS PRESENT ZONING CLASSIFICATION OF R-1, SINGLE FAMILY RESIDENTIAL TO DN-2, DOWNTOWN MEDIUM-DENSITY RESIDENTIAL (PROJECT NUMBER: RZ20--0034).

WHEREAS, Clear T, LLC duly filed a petition with the Planning Commission requesting that the hereinafter described property situated in Benton County, Arkansas, be changed from its present zoning classification of R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential to be used in accordance with city zoning laws and state laws, which property is described as follows:

LOT 9 BLOCK H ORCHARD ADDITION TO BENTONVILLE, BENTON COUNTY, AR AS SHOWN ON PLAT RECORD BOOK "A & B" PAGE 89 & 27, RECORDED IN THE BENTON COUNTY CLERK'S OFFICE, BENTONVILLE, ARKANSAS.; and,

WHEREAS, the Planning Commission duly met and considered the application and duly set the petition for public hearing to be held August 18, 2020 in the Council Chambers of the City of Bentonville; and,

WHEREAS, public notice of said hearing having been published in the Northwest Arkansas Democrat-Gazette for the time and in the manner required by law; and,

WHEREAS, the Planning Commission voted to recommend to the City Council that the petition be approved and that said property be rezoned from its present classification of R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential.

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

Section 1: That the above described real property is hereby changed from its present zoning classification of R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential to be used in accordance with the city zoning laws and state laws.

PASSED AND APPROVED this _____ day of _____, 2020.

APPROVED:

ATTEST:

Stephanie Orman, Mayor

City Clerk

REZONING STAFF REPORT



Walmart Campus

301 SE J Street

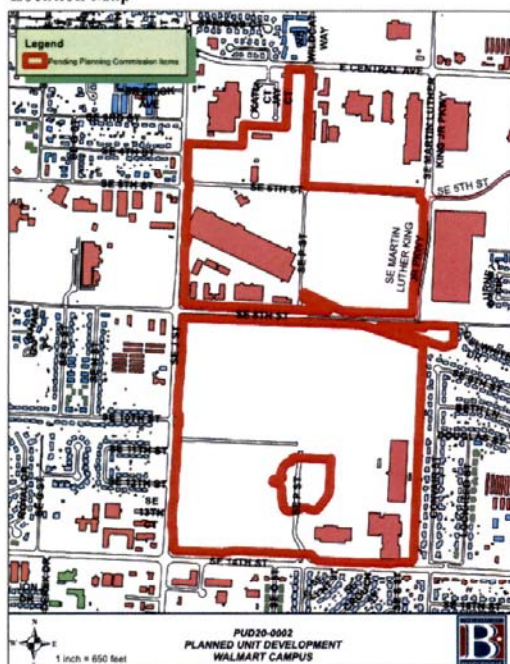
PC Date: 8/18/2020

Reviewer: Tyler Overstreet, Senior Planner, AICP

Project Number	PUD20-0002
Applicant / Current Owner	Wal-Mart Stores, Inc. PO Box 8050 Bentonville, AR 72712
Site Area	+/- 231 acres
Current Zoning	I-2, Heavy Industrial, R-3, Medium-Density Residential, R-O, Residential Office, and C-2, General Commercial
Requested Zoning	PUD, Planned Unit Development
Future Land Use Map Designation	General Commercial

<https://arcg.is/08HvK8>

Location Map



Project Description

This property is the future site of the Walmart Home Office Campus. The property is generally bounded by E Central Avenue to the north, SE Martin Luther King Junior Parkway and SE Moberly Lane to the east, SE 14th Street to the south, and SE J Street to the west. Vicinity maps and streetscape layouts are included in the Planned Unit Development packet.

The campus includes a total of 12 commercial buildings, 10 parking decks, and 8 surface parking lots. The development is divided into five zones to be constructed in three phases. Depictions of each of the zones and a phasing plan are included within the packet. The development provides a total of 11,255 parking spaces. The Planned Unit Development depicts 15-foot setbacks along SE J Street and SE 14th Street, 10-foot setbacks along MLK, and 0-foot setbacks along SE 8th Street. The development depicts a total of 108 acres of open space, or 47% of the project area. The development provides a variety of materials such as architectural metal panel, wood finish, brick, glass, and precast concrete panels.

Currently zoned I-2 Heavy Industrial, R-3 Medium-Density Residential, R-O, Residential Office, and C-2, General Commercial. Adjacent zoning districts include R-1, R-4, C-2, and C-1 to the north, R-1, R-3, C-2, and C-1 to the east, R-1, R-O, and C-2 to the south, and R-O, C-1, C-2, R-1, I-2, and PUD to the west.

Relationship to the General Plan

The Future Land Use Plan currently depicts this property as General Commercial. General Commercial areas typically include uses that serve nearby residents and those coming from other parts of the region. They encourage a variety of commercial uses and should balance access between vehicles and pedestrians. The General Commercial land use category is compatible with the proposed Planned Unit Development.

Public Comment

Staff has received comments regarding this request.

REZONING STAFF REPORT

Conclusion

According to the applicant's narrative the purpose of their Planned Unit Development is to provide a smart and sustainable design and a connected campus rooted in the community. The Campus seeks to meet these goals through the use of local materials, environmentally friendly design, connection with the Razorback Greenway and 8th Street, and building and architectural selections to serve as an extension of the existing community.

The Commerce and Industry Chapter of the 2015 Bentonville Community Plan is of special importance to this project. The Chapter's Community-Wide Recommendations suggest the City require a high quality of design and make unique and interesting places. In addition, the chapter depicts this property as being within the East Side Walmart Employment Sector Area. The plan notes that this area should serve as a link between the western trail network (which includes Downtown and Crystal Bridges) and the eastern trail network (which includes NWACC and the City of Rogers).

This Planned Unit Development, through its use of unique design, open space, and pedestrian connectivity, meets the purpose and intent of the PUD ordinance and of the Commerce and Industry Chapter of the Community Plan. Staff recommends approval of this rezoning request.

WALMART CAMPUS
PUD SUBMISSION - 2ND PLANNING COMMISSION
AUGUST 3, 2020

CONTACTS

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Layne Rhodes
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COX COMMUNICATIONS

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Springdale, AR 72762
(479) 717-3786
kip.smith@cox.com

FIRE DEPARTMENT

City of Bentonville
Brent Roydson, Fire Chief
800 S.W. A. Street
Bentonville, AR 72712
(479) 271-5927

STREET DEPARTMENT

City of Bentonville
Tony Dillard
3200 SW Municipal Drive
Bentonville, AR 72712
(479) 271-3130

WATER DEPARTMENT

City of Bentonville
Proctor Neffall
3200 SW Municipal Drive
Bentonville, AR 72712
(479) 271-3140

ELECTRIC DEPARTMENT

City of Bentonville
Charlie Barnes
3200 SW Municipal Drive
Bentonville, AR 72712
(479) 271-3159

WASTEWATER DEPARTMENT

City of Bentonville
Nancy Buesen
1801 N.E. "A" Street
Bentonville, AR 72712
(479) 271-3160

PLANNING DEPARTMENT

City of Bentonville
Ellen Norvell
305 S.W. "A" Street
Bentonville, AR
(479) 271-3122

CITY ENGINEER

City of Bentonville
Dan Weisse
3200 SW Municipal Drive
Bentonville, AR
(479) 271-5993

STORMWATER

City of Bentonville
Janet Pahn
3200 SW Municipal Drive
Bentonville, AR
(479) 271-5902
jpahn@bentonvillear.com



SHEET INDEX

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- P08 Master Plan | Zones
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- P10 Zone Map | LSD Package Zone 02
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PROJECT DIRECTORY P02



OWNER
Walmart
Bentonville, AR



ARCHITECT
Gensler
5005 Greenville Avenue
Dallas, TX 75206



ARCHITECT
Miller Boskus Lack
224 SE 2nd Street
Suite 200
Bentonville, AR 72712



PARKING AND ADVISORY
Walker Consultants
2885 Greenspoint Parkway
Suite 600
Hoffman Estates, IL 60169



CIVIL ENGINEER
CEI
3108 SW Regency Parkway
Bentonville, AR 72712



CIVIL ENGINEER
Walter P Moore
1301 McKinney, Suite 1100
Houston, TX 77010



LANDSCAPE ARCHITECT
SWA
811 W. 7th Street
8th Floor
Los Angeles, CA 90017

WRITTEN DESCRIPTION OF PUD

Walmart Home Office Campus

PUD Submission
August 3, 2020

Walmart is pleased to submit this application for a Planned Unit Development for the new Home Office Campus. We are proud that Northwest Arkansas is our home and intend, through this project, to make both Bentonville and the region even more attractive for the recruitment and retention of talented people. We believe this Home Office Campus project not only reflects the shared values that have helped accelerate growth of the company, the City of Bentonville, and the region, but also will leave a positive impact on the travelers from around the world who visit Bentonville.

4.1.10(a) Description and purpose of the PUD district.

This submission is the result of more than two years of planning and reflects the goals memorialized in the PUD ordinance. With thousands of associates in mind, both present and future, this campus is designed as a place that embraces the natural beauty of the region, enhances, and promotes the community experience, and reflects our company values.

Smart and Sustainable Design

- The campus reflects Walmart's leadership in environmental sustainability through smart building design with high performance building materials, renewable structural systems, and energy-efficient lighting and HVAC systems.
- It incorporates regionally sourced materials, including Southern Yellow Pine timber, grown in Arkansas and custom manufactured in Central Arkansas, for the primary office structural system.
- Thoughtful design in the use of bioswales, stormwater collection and management for irrigation, and wildlife habitat reflect the company's commitment to water quality and control across campus and into city systems.
- Thousands of low-maintenance native trees, shrubs and grasses provide an inviting landscape experience and open space areas that meet or exceed city requirements.
- Green spaces and trails are designed to provide direct access to nature and encourage outdoor interaction between Walmart associates, the Bentonville community, and the physical environment to reinforce sustainable living and holistic well-being.

P03

Connected Campus

- The new 8th Street corridor will improve both visitor and commuter access to campus and the movement from east to west across town.
- The Razorback Greenway will connect the campus via bike trails, walking paths, and street crossings, encouraging safe and accessible alternative access for associates and visitors.
- The campus is designed with functional and attractive streetscapes framed by trees, plazas, buildings, and bikeways via the reestablished street grid. The road network is designed to disperse traffic more efficiently without putting pressure on only a few points of access.

Rooted in our Community

- A portion of the Razorback Greenway passes through campus and provides new tunnels at J Street and 8th Street.
- The trail network will improve pedestrian and cyclist access to the Bentonville Square, Crystal Bridges Museum, The Momentary, Thaden School, NWACC and other points of interest around the region.

WRITTEN DESCRIPTION OF PUD

401.10(b) Minimum area required for PUD districts.

This PUD application covers an area of approximately 218 acres, exceeding the minimum size required (10 acres).

401.10(c) Master site plan required.

See P07-P08 for the Master Plan.

401.10(d) Allowed uses.

All nonresidential uses in Article 401 which are permitted conditionally or by-right in commercial and mixed-use districts. Further details with respect to land use, phasing, and future uses are described by the Master Plan and Construction Phasing Plan on P07, P08, and P14.

401.10(e) Density requirements.

No density requirements are set, as this PUD proposes no residential uses.

401.10(f)(1) Description of proposed zoning and development standards.

Density:

N/A. No residential uses are proposed.

Building setbacks:

See P15, ROW & Setback Boundaries, for setbacks from public streets.

Height of building or structure:

Side and rear setbacks are 0' for any interior parcels.

Structures shall have a maximum height of 100' above ground level finished floor elevation, except mechanical and telecommunications equipment and required screens may extend beyond this limit.

Lot size, lot width, and lot depth:

No minimum or maximum dimension.

Landscaping:

Parking Lot Landscaping: As required for similar developments, except that the number of trees required shall be provided in the continuous planting islands at the minimum rate of (1) shade tree per every six (6) parking spaces or fraction thereof and shall be located in the double row, and internal planting islands shall not be required. External planting islands shall be a minimum size of nine (9) feet by sixteen (16) feet.

Street Frontage Buffer Landscaping: See P16-P22 Street Sections.

Required off-street parking spaces:

N/A. No residential uses are proposed.

Street widths:

See P16-P22 Street Sections.

Garage setbacks:

N/A. No residential garages are proposed.

P04

401.10(f)(2) Modifications prohibited.

Compliance with the development standards referenced in this code section will be demonstrated by way of the Large Scale Development submission.

401.10(g)(1) PUD districts common open space requirements.

This proposal exceeds the minimum requirements for open space to provide a variety of accessible outdoor experiences for Walmart associates, visitors, and, where provided, the public. Please refer to the open space plan which provides details for each phase.

The master plan will provide open space that meets or exceeds code requirements.

See P24, Open Space Area, for required details.

401.10(g)(2) PUD districts parking and off-street loading requirements.

Each phase of the PUD delivers parking in a campus format. The total amount of parking provided in each phase meets or exceeds the minimum requirements set forward in Article 501 of the Bentonville Unified Development Code.

See P14, Phasing Plan, for additional details.

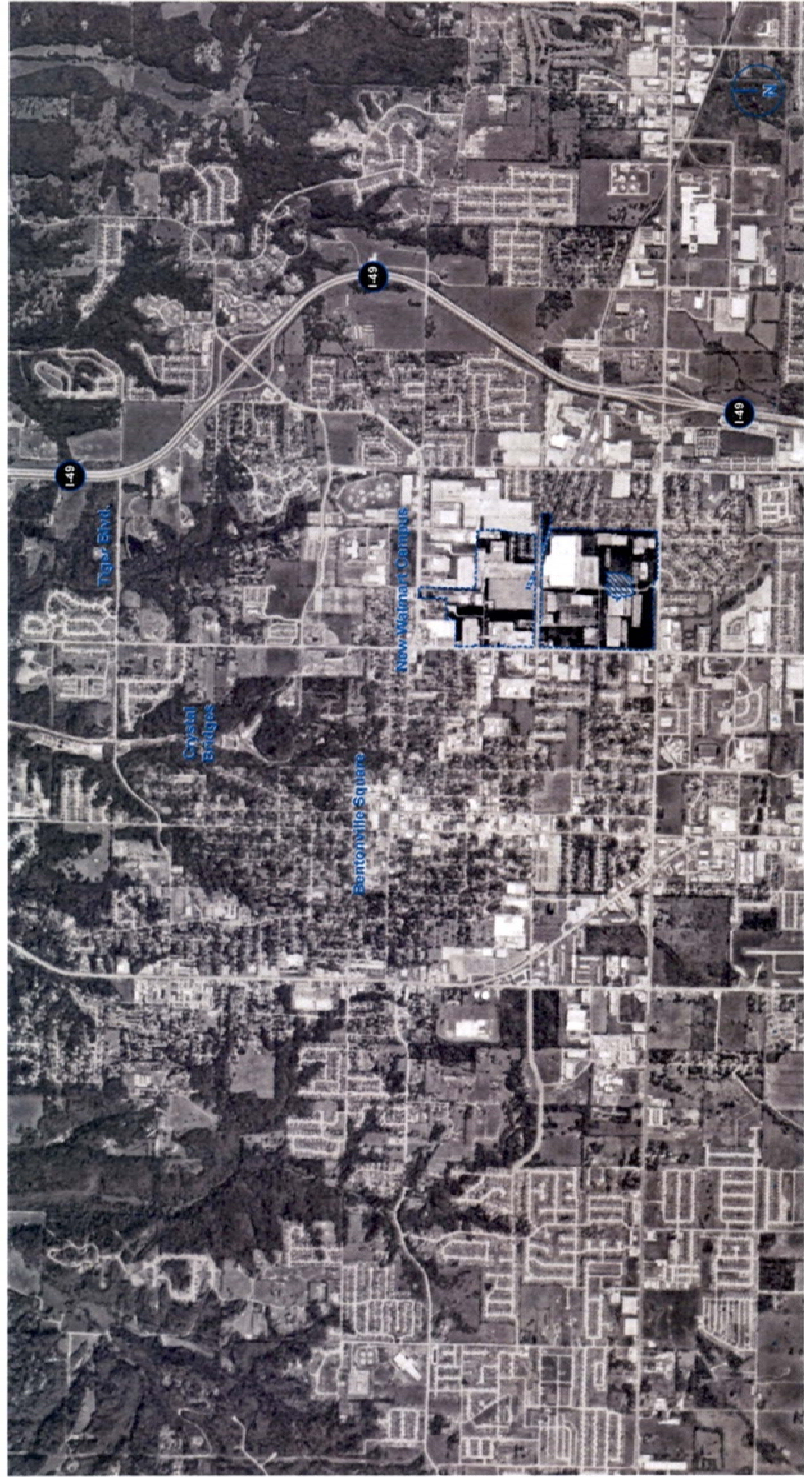
401.10(g)(3) PUD districts perimeter requirements.

The master plan is designed to create maximum compatibility with surrounding land uses.

These street and landscaping improvements have been designed to meet the expectations Bentonville residents living in adjacent neighborhoods have for excellent and continuous public improvements.

401.10(g)(4) PUD districts structural design standards.

Refer to P25 and the following pages for documentation showing compliance with structural design standards, such as elevations and material palettes.



Google Maps

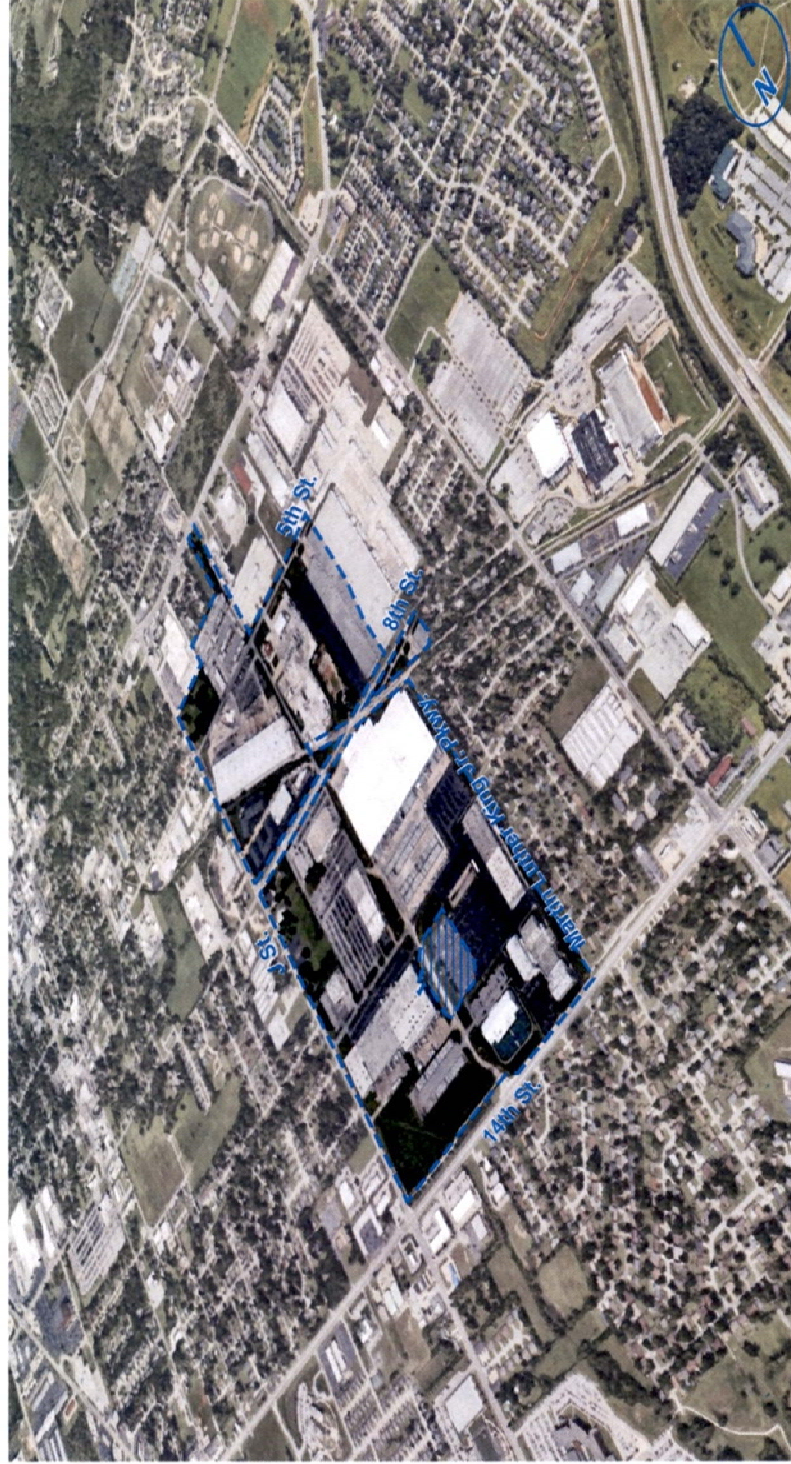
Walmart Campus
Walmart

Bentonville, AR
Overall Site

PUD SUBMISSION
Gensler
AUGUST 3, 2020
SWA

SITE BOUNDARY

P06



Google Maps

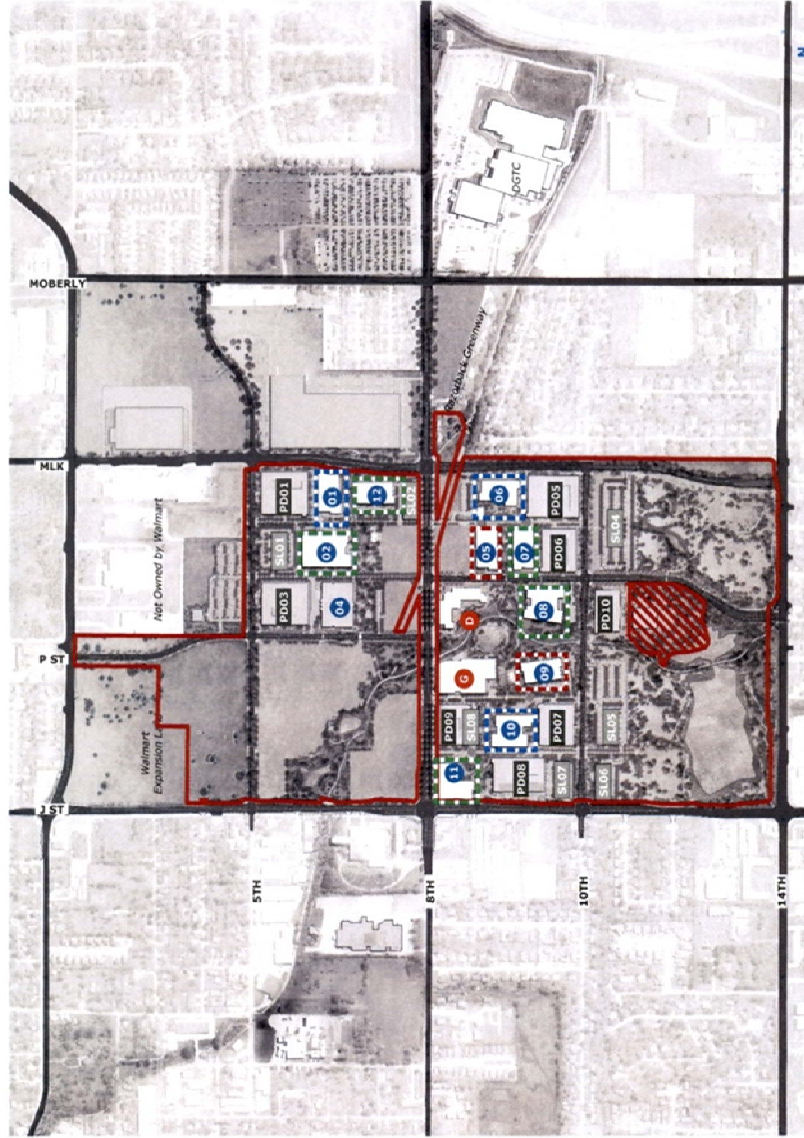
Walmart Campus
Walmart

Bentonville, AR | Overall Site

PUD SUBMISSION
AUGUST 3, 2020
Gender
3WA
Google Maps

MASTER PLAN | BUILDING TYPES

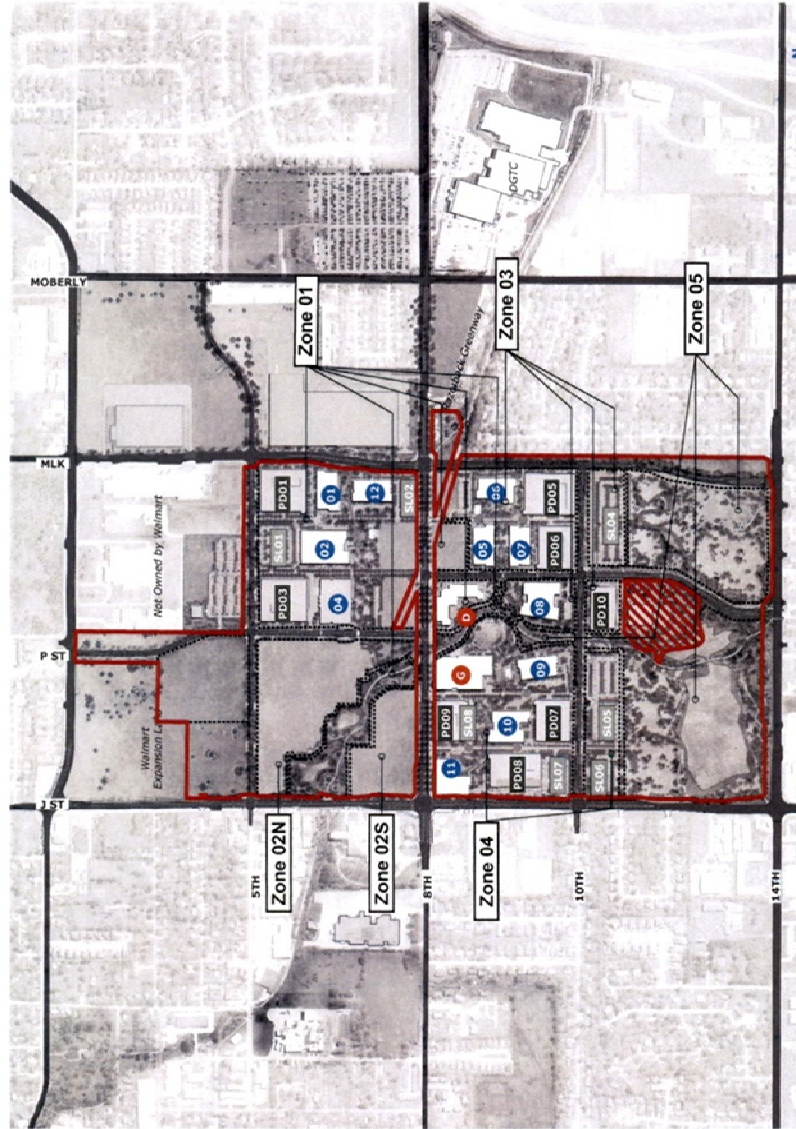
P07



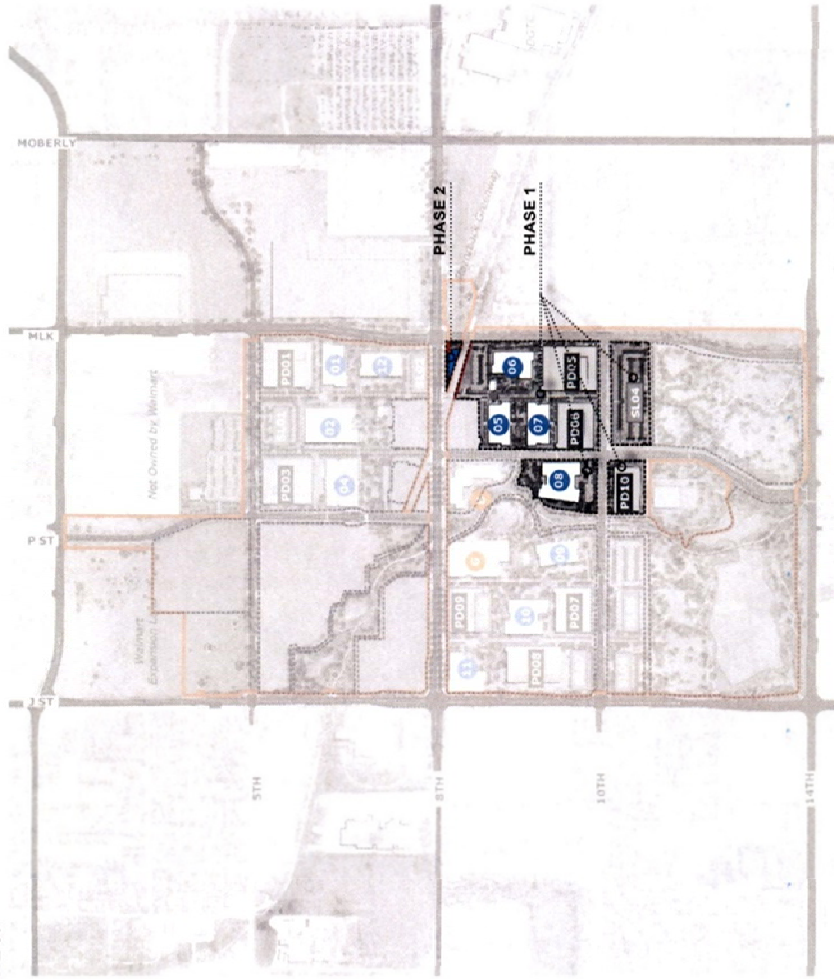
Walmart Campus
Walmart

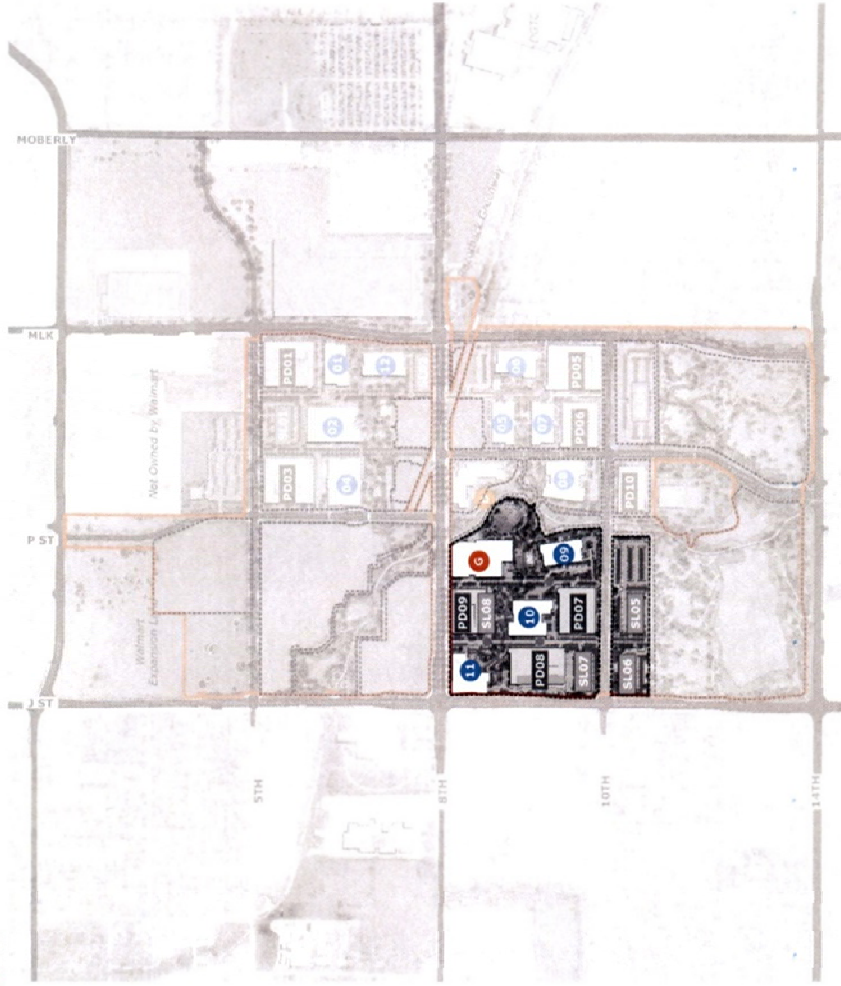
Bentonville, AR Overall Site

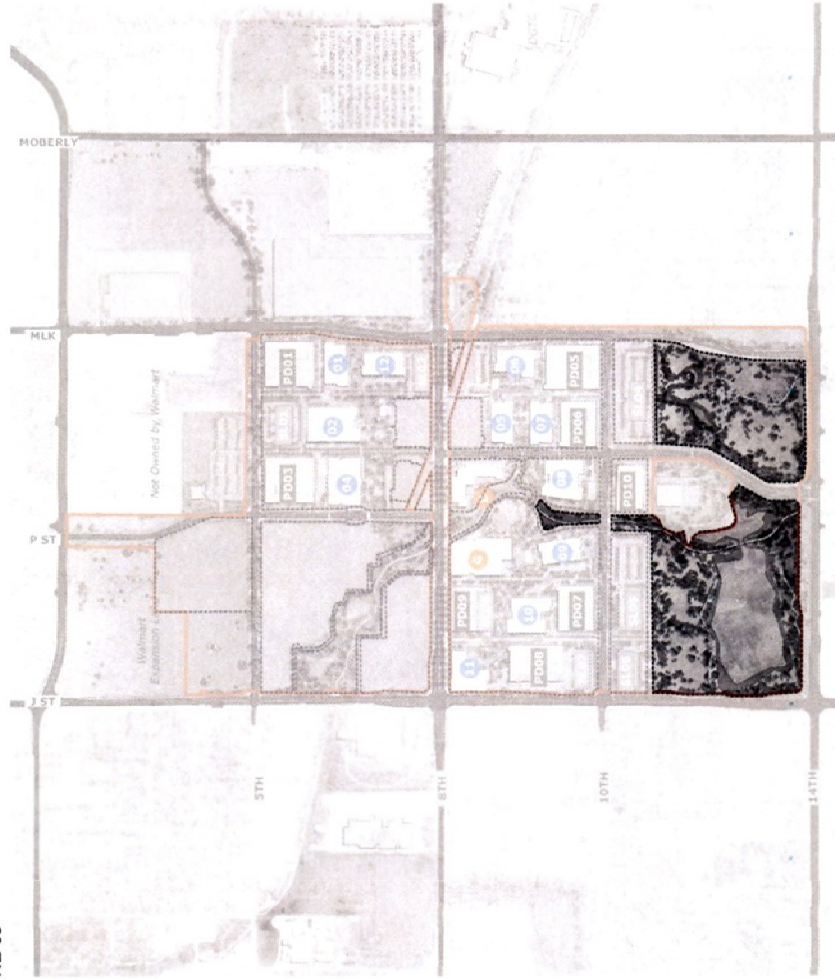
PUD SUBMISSION Gender 327
AUGUST 3, 2020 SWA
Walmart

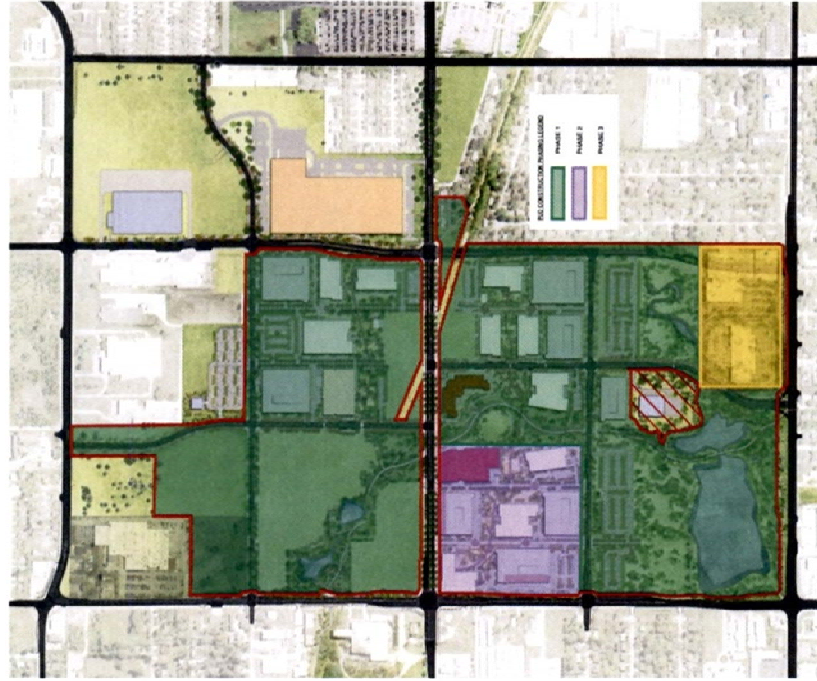








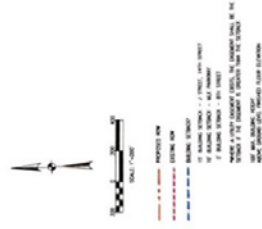


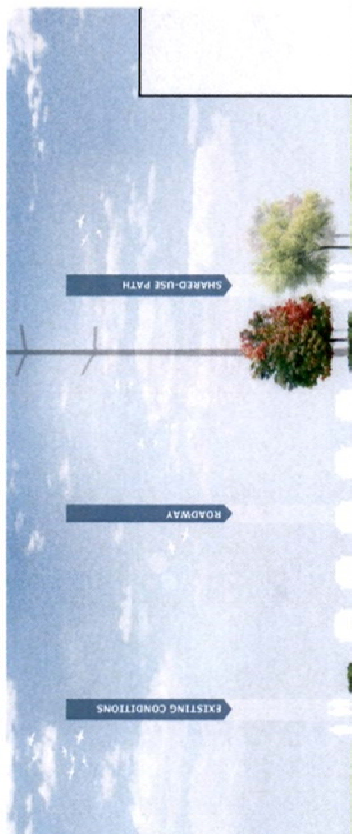


PHASE 1	
Required Parking Spaces:	4,395
Total Parking Spaces:	7,319
PHASE 2	
Required parking spaces:	2,816
Total parking spaces:	3,936
PHASE 3	
Required parking spaces:	0
Total parking spaces:	0



LEGEND

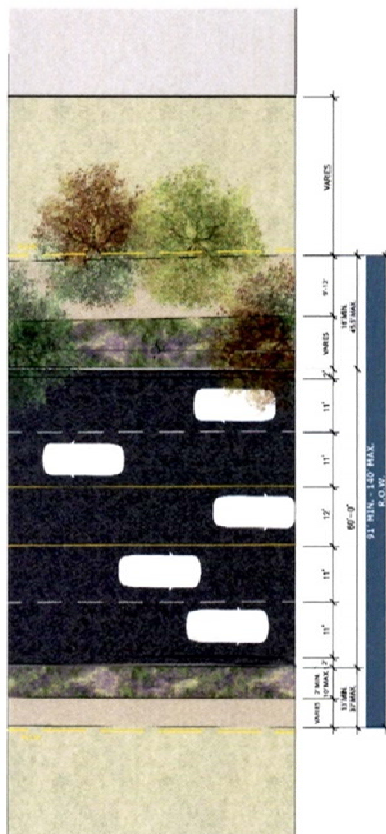




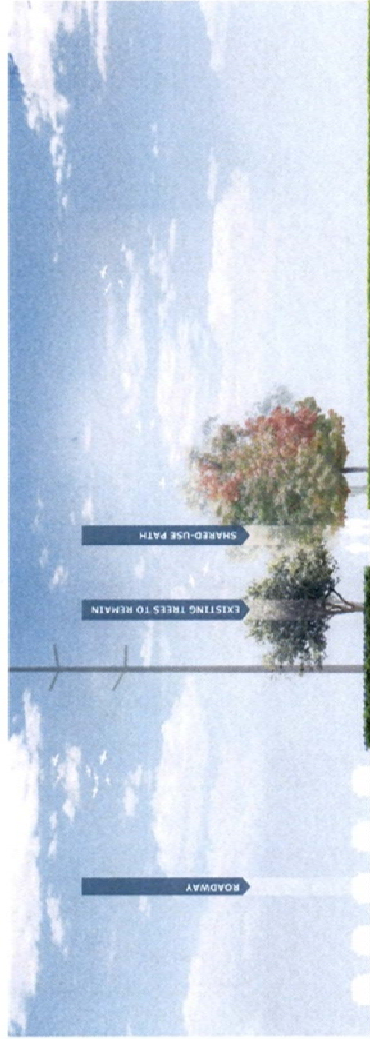
PROPOSED GUIDELINES

EAST

- 6' Min. wide green space curb zone
- 10' Min. wide shared-use sidewalk
- Note: Reduced width where necessary to minimize impact to existing trees.
- Shade trees provided at a minimum rate of one (1) shade tree per every forty (40) linear feet or fraction thereof of street frontage.
- New trees planted under overhead utilities shall not exceed a mature height of 25 feet.



*All utility clearance standards (tree's, pavement, adjacent utilities) will be coordinated with the City of Bentonville during Large Scale Development



*All utility clearance standards (trees, pavement, adjacent utilities) will be coordinated with the City of Bentonville during Large Scale Development.
 **Roadway lane layout provided for reference only and subject to change based on approved documents

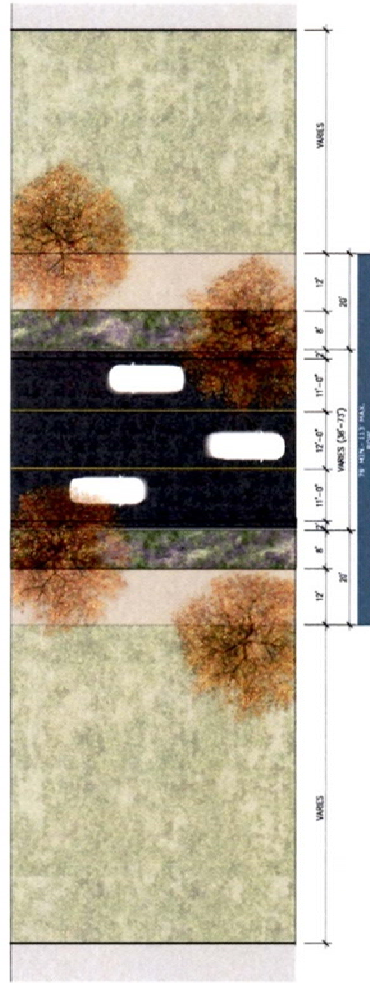
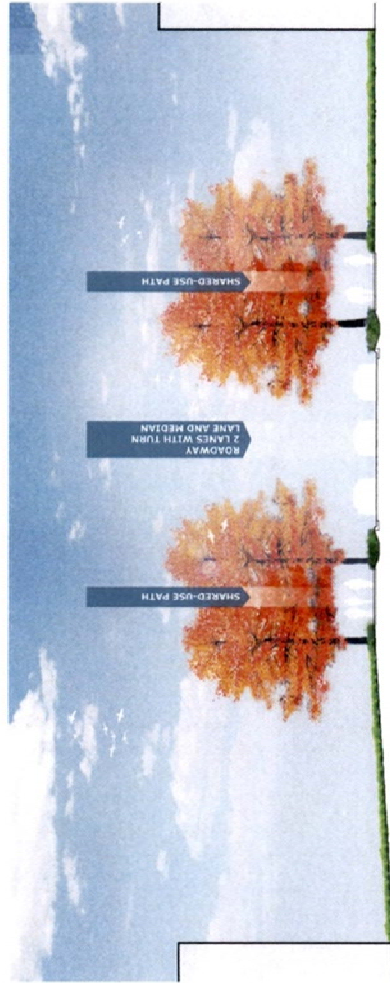
PROPOSED GUIDELINES

NORTH

- 8' Min. wide green space curb zone
- 10' Min. wide shared-use sidewalk
- Shade trees provided at a minimum rate of one (1) shade tree per every forty (40) linear feet or fraction thereof of street frontage.
- New trees planted under overhead utilities will be coordinated with AEP/ SWEPCCO.

PROPOSED GUIDELINES

- 8' wide green space curb zone
- 10' Min. wide shared-use sidewalk on at least one side of the street
- Shade trees provided at a minimum rate of one (1) shade tree per every forty (40) linear feet or fraction thereof of street frontage.



*All utility clearance standards (trees, pavement, adjacent utilities) will be coordinated with the City of Bentonville during Large Scale Development

PROPOSED GUIDELINES

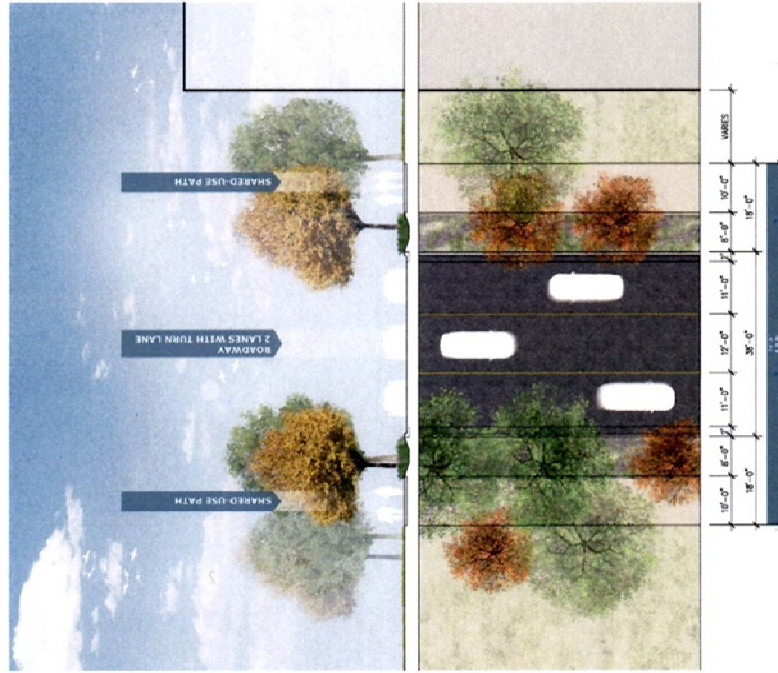
- 8' wide green space curb zone
- 10' Min. wide shared-use sidewalk on at least one side of the street
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*All utility clearance standards (trees, pavement, adjacent utilities) will be coordinated with the City of Bentonville during Large Scale Development

PROPOSED GUIDELINES

- 8' wide green space curb zone
- 10' Min. wide shared-use sidewalk on at least one side of the street
- Shade trees provided at a minimum rate of one (1) shade tree per every forty (40) linear feet or fraction thereof of street frontage.



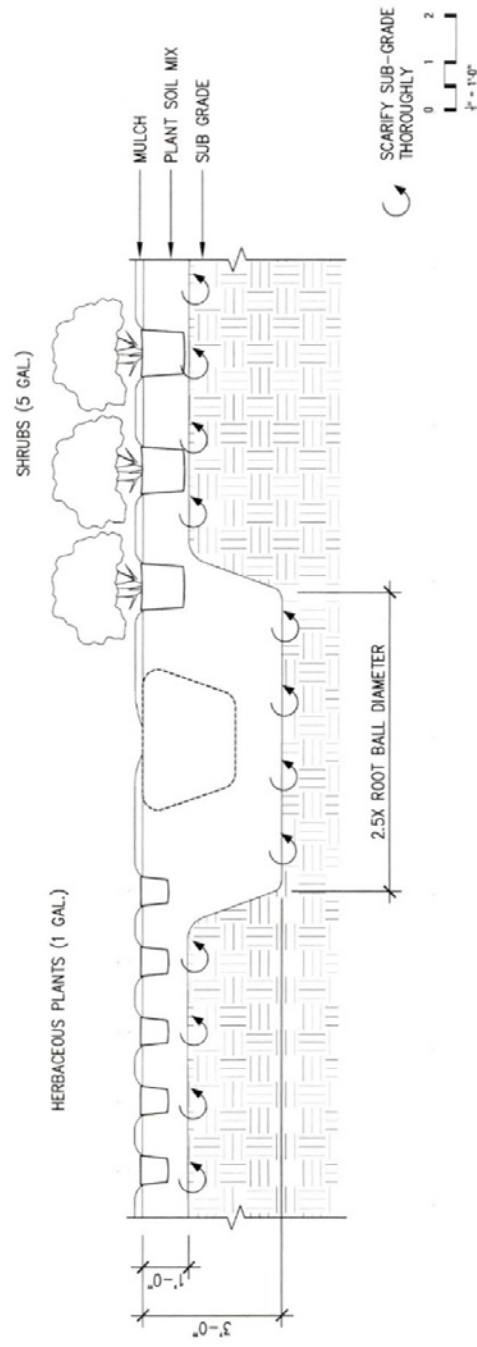
*All utility clearance standards (trees, pavement, adjacent utilities) will be coordinated with the City of Bentonville during Large Scale Development

PARKING LOT SOIL DEPTH

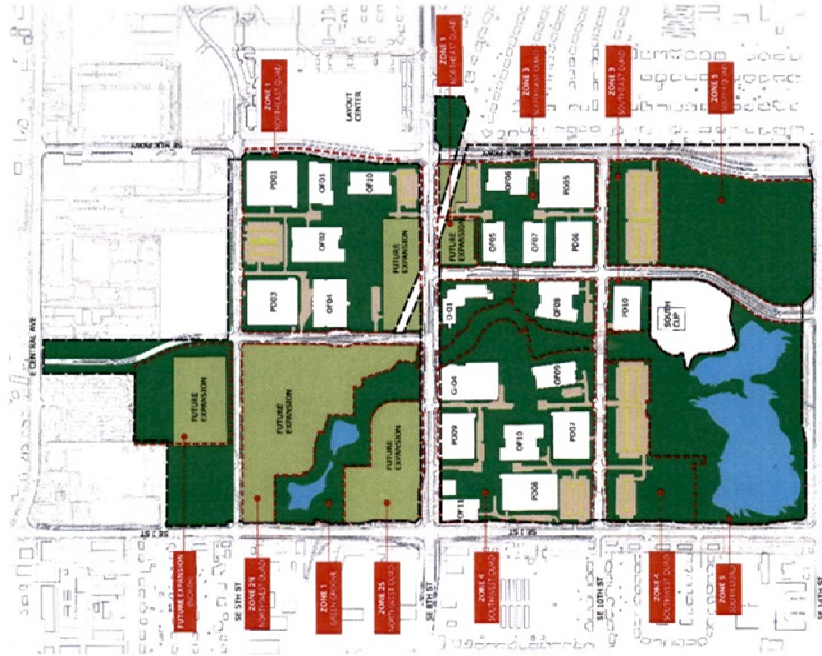
P23

PROPOSED GUIDELINES

- 1' soil depth for shrubs / grasses up to 5 gallons
- 3' soil depth for trees (36" diameter rootball / 3.5" caliper).



OPEN SPACE AREA



ZONE 1 AREA: 34.0 acres OPEN SPACE: 14.4 acres OPEN SPACE PERCENTAGE: 42% (22% ABOVE REQUIREMENT) FUTURE EXPANSION AREA: 5.6 acres	ZONE 1 - GREEN GROOVE AREA: 11.0 acres OPEN SPACE: 9.8 acres OPEN SPACE POND: 1.2 acres OPEN SPACE PERCENTAGE: 100% (80% ABOVE REQUIREMENT)	ZONE 2S AREA: 7.7 acres FUTURE EXPANSION AREA: 7.7 acres	ZONE 2N AREA: 16.2 acres FUTURE EXPANSION AREA: 16.2 acres	ZONE 3 AREA: 24.8 acres OPEN SPACE: 11.3 acres OPEN SPACE PERCENTAGE: 46% (26% ABOVE REQUIREMENT) FUTURE EXPANSION AREA: 1.04 acres	ZONE 4 AREA: 38.6 acres OPEN SPACE: 18.2 acres OPEN SPACE PERCENTAGE: 47% (27% ABOVE REQUIREMENT)	ZONE 5 AREA: 48.5 acres OPEN SPACE: 36.0 acres OPEN SPACE POND: 12.5 acres OPEN SPACE PERCENTAGE: 100% (80% ABOVE REQUIREMENT)	FUTURE EXPANSION (NORTH) AREA: 9.2 acres OPEN SPACE: 4.4 acres OPEN SPACE PERCENTAGE: 47% (27% ABOVE REQUIREMENT) FUTURE EXPANSION AREA: 4.9 acres	TOTAL AREA: 231 ACRES OPEN SPACE: 106.6 acres TOTAL OPEN SPACE PERCENTAGE: 47% (27% ABOVE REQUIREMENT)
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KEY	OPEN SPACE AREA - SOFTSCAPE OR PEDESTRIAN HARDSCAPE	OPEN SPACE AREA - POND OR SEASONAL WATERWAY	FUTURE EXPANSION ZONE (NOT INCLUDED IN OPEN SPACE AREA)	PARKING LOT/VEHICULAR PAVING AREA (NOT INCLUDED IN OPEN SPACE AREA)	PARKING LOT PLANTING (NOT INCLUDED IN OPEN SPACE AREA)
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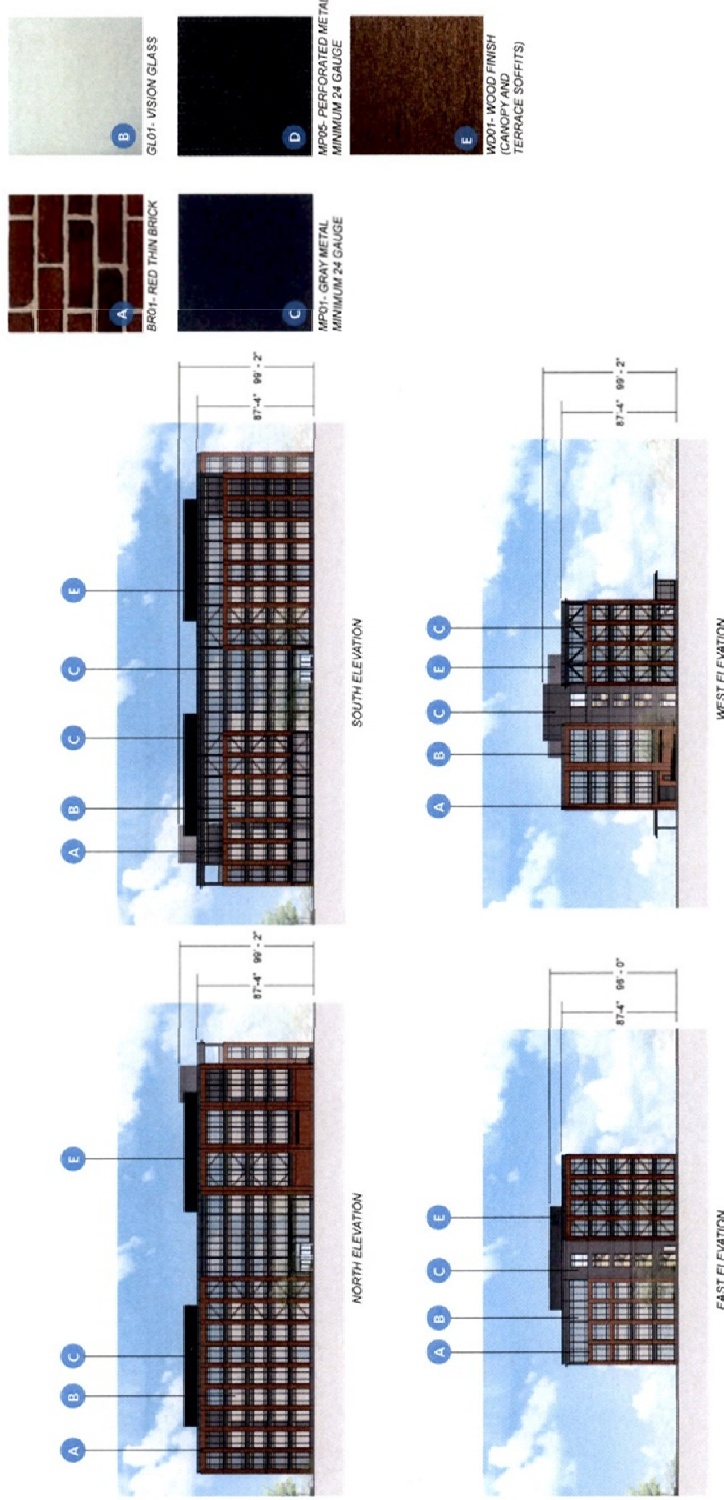
Walmart
Walmart Campus

Bentonville, AR | Open Space Diagram

PUD SUBMISSION Gender 371
AUGUST 3, 2020 SWA

OFFICE BUILDING OF01 | FOUNDRY

P25



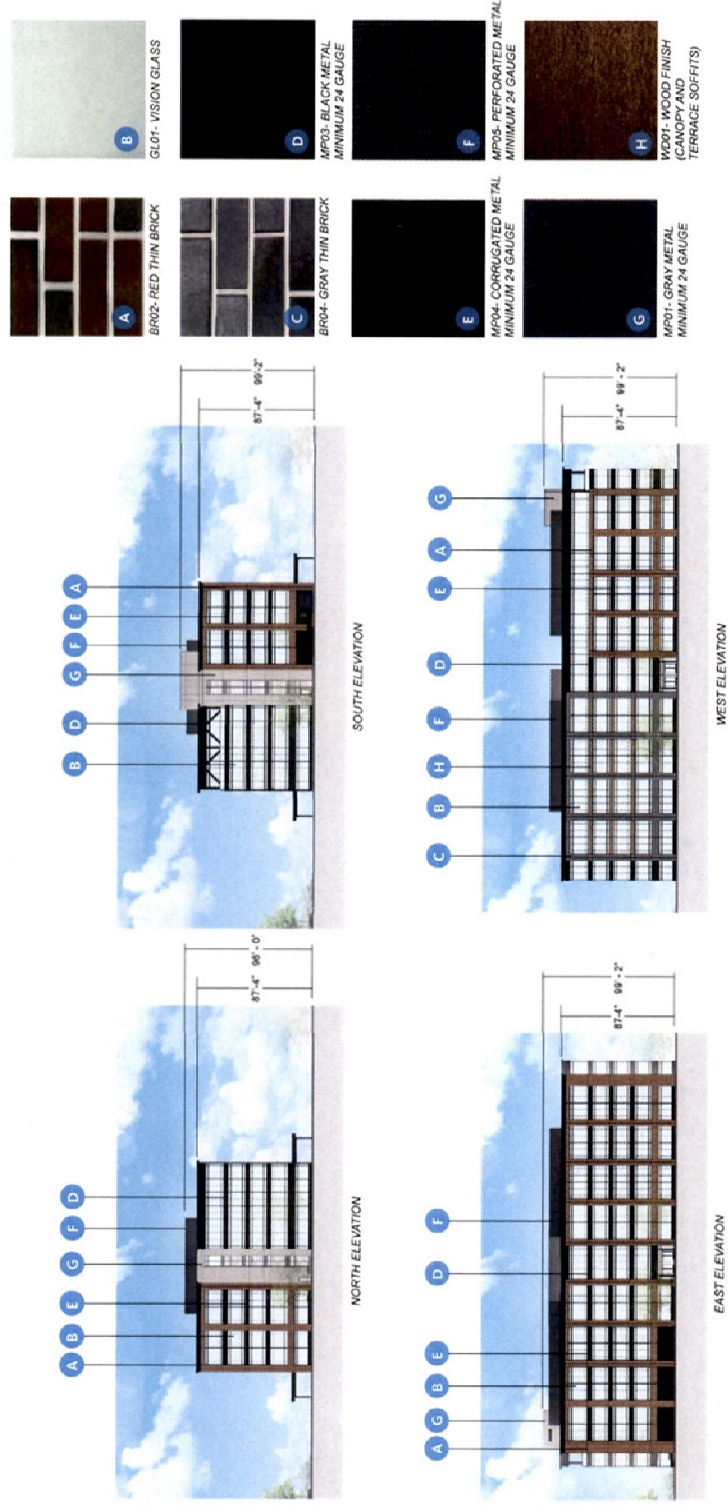
OFFICE BUILDING OF02 | COLLECTION

P26



OFFICE BUILDING OF12 | COLLECTION

P27



OFFICE BUILDING OF04 | APPAREL MERCHANT BUILDING

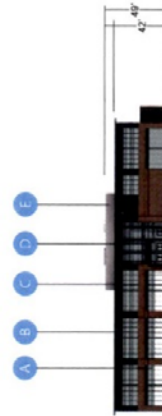
P28



NORTH ELEVATION



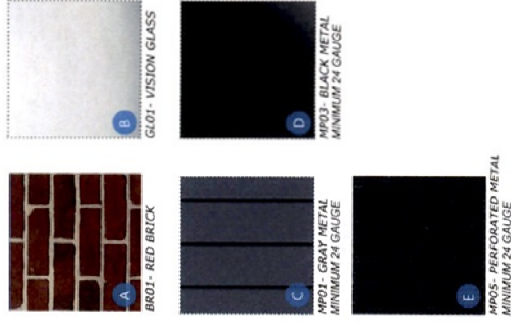
SOUTH ELEVATION



EAST ELEVATION

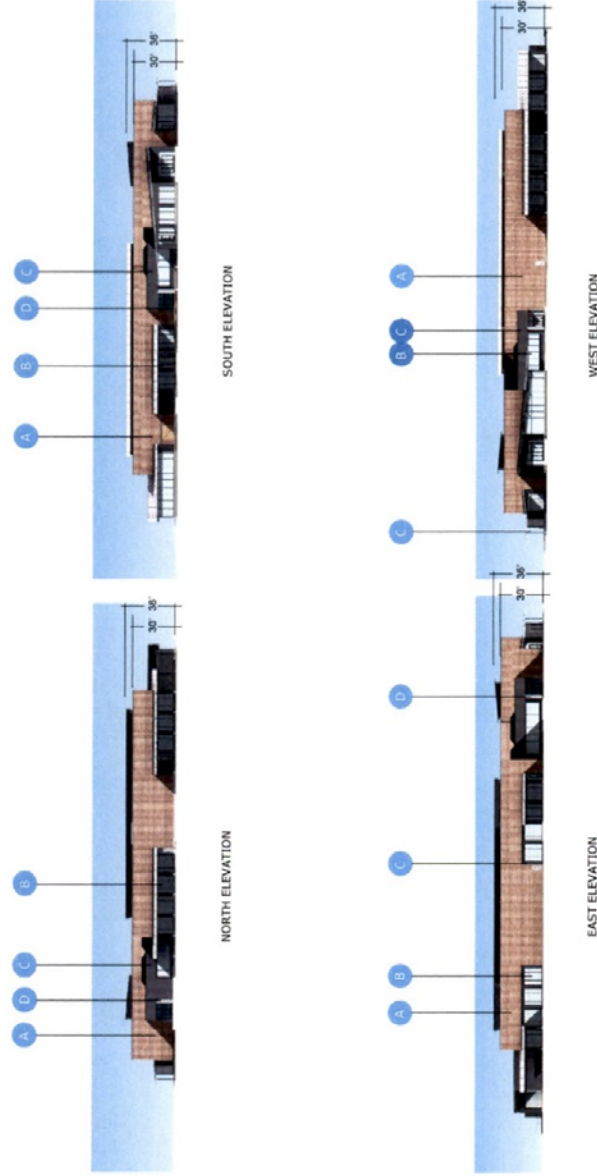


WEST ELEVATION



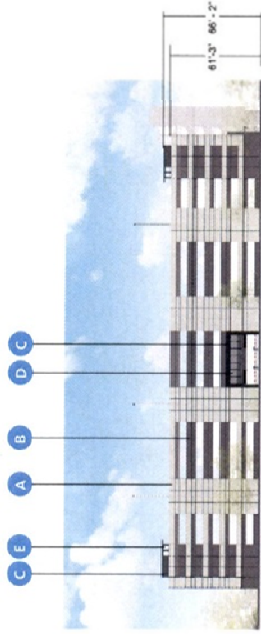
BUILDING D-01 | FOOD HALL

P29

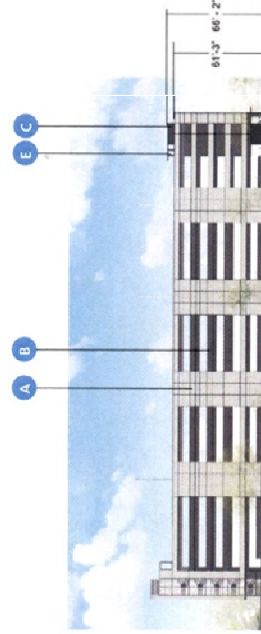


PARKING GARAGE | PD01

P30



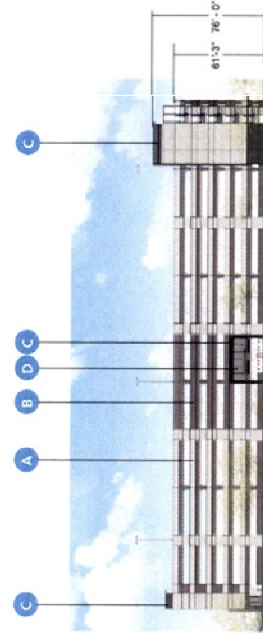
NORTH ELEVATION



SOUTH ELEVATION



EAST ELEVATION

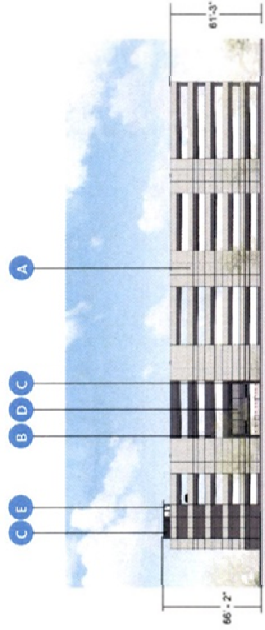


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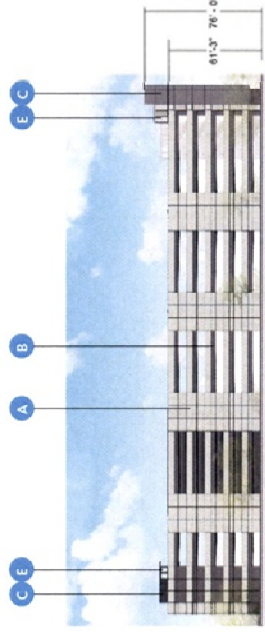


PARKING GARAGE | PD03

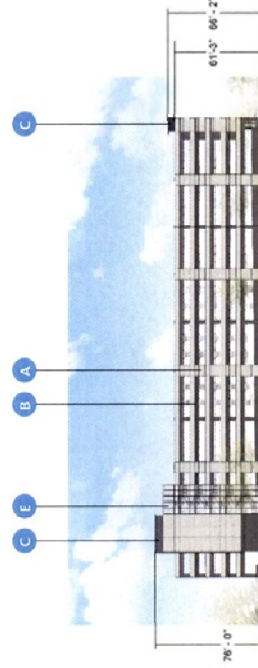
P31



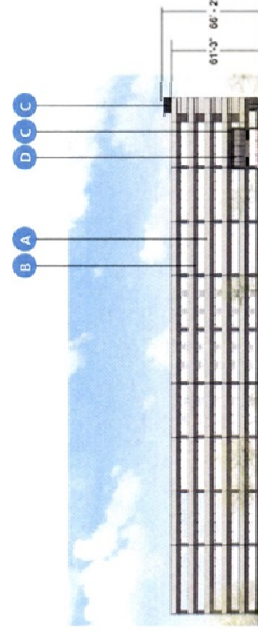
NORTH ELEVATION



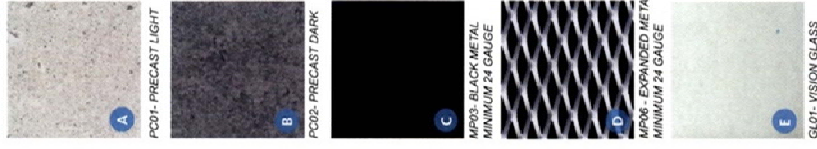
SOUTH ELEVATION



EAST ELEVATION

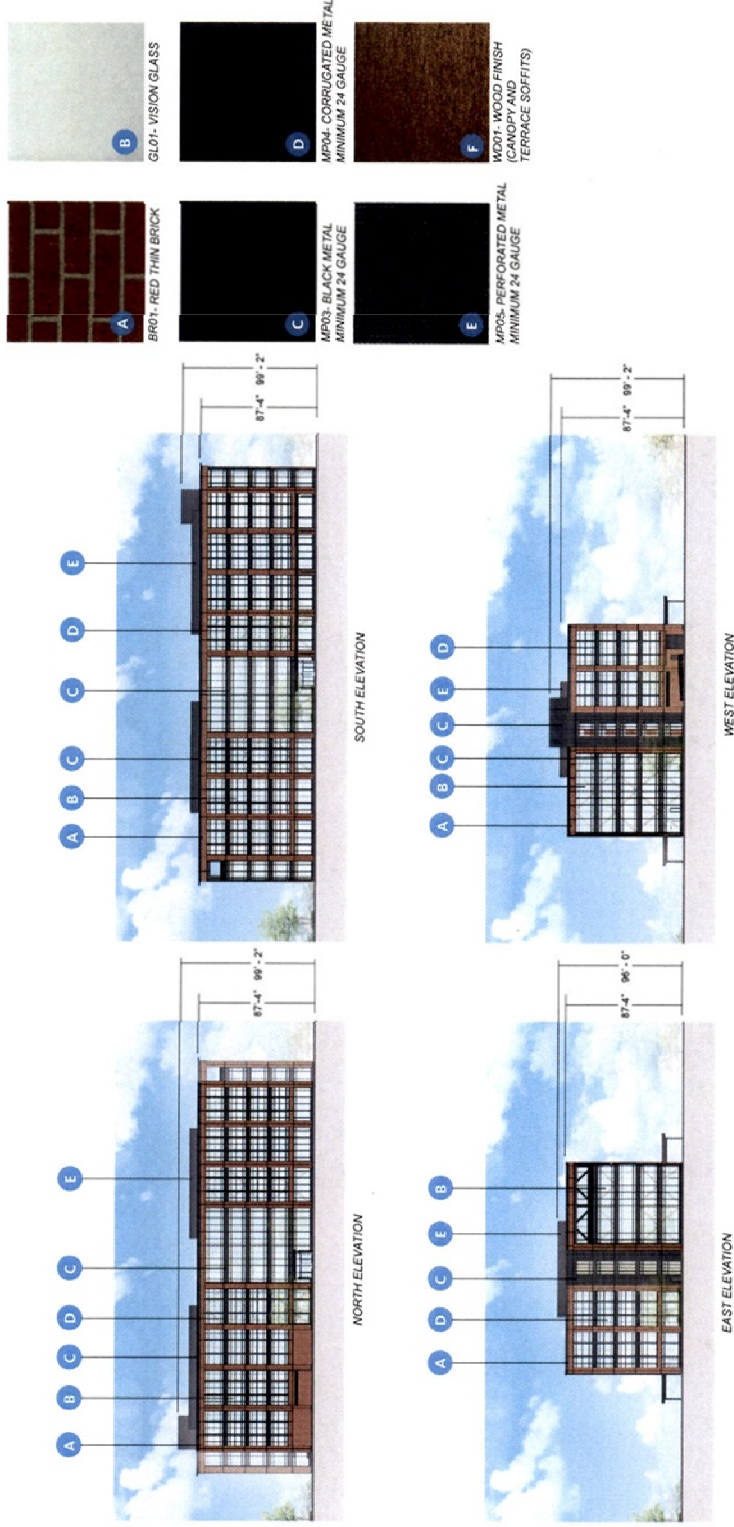


WEST ELEVATION



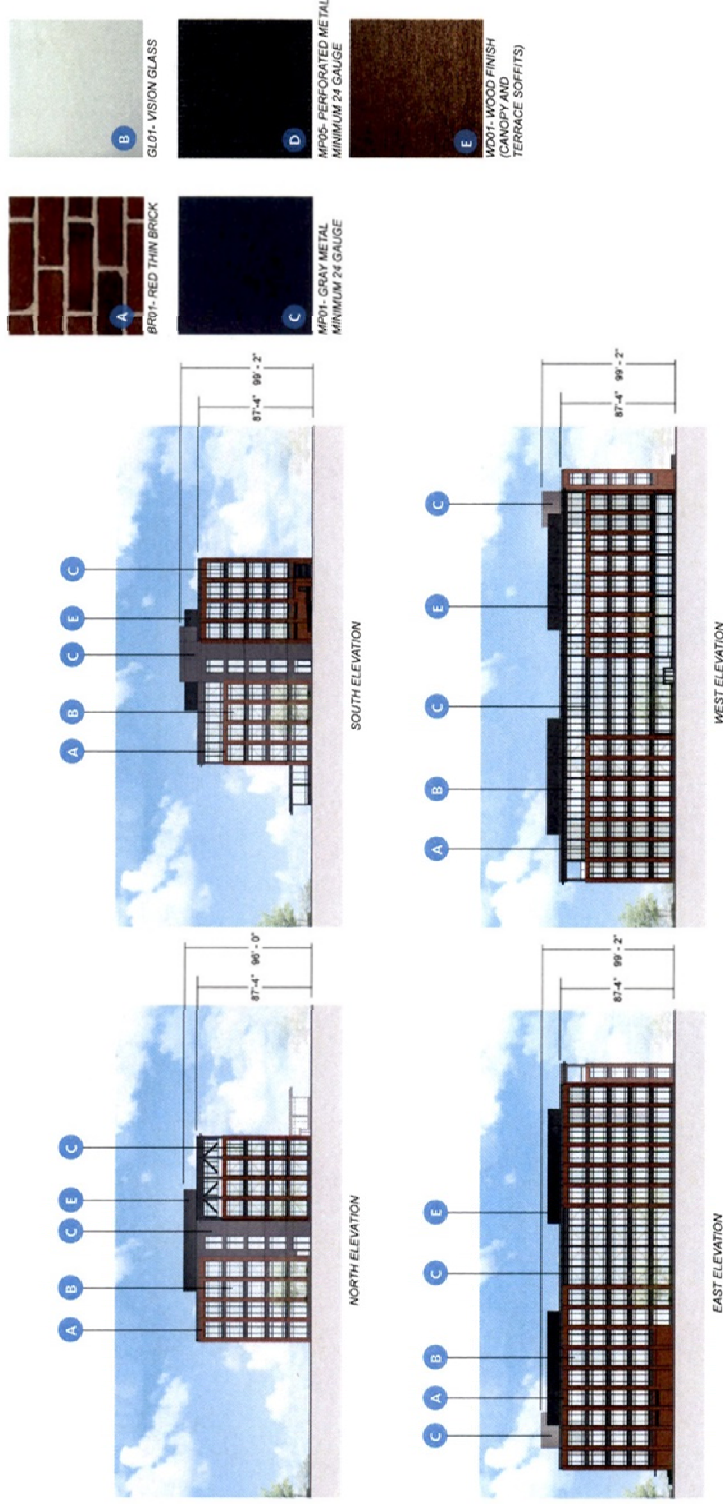
OFFICE BUILDING OF05 | MILL

P32



OFFICE BUILDING OF06 | FOUNDRY

P33





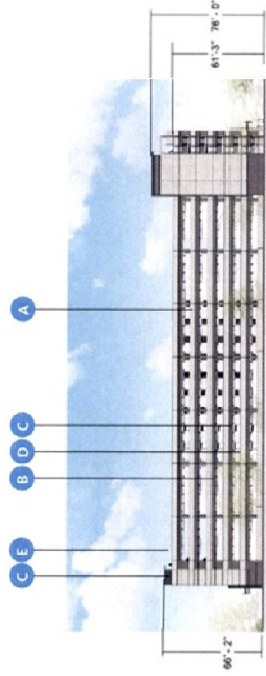
OFFICE BUILDING OF08 | COLLECTION

P35

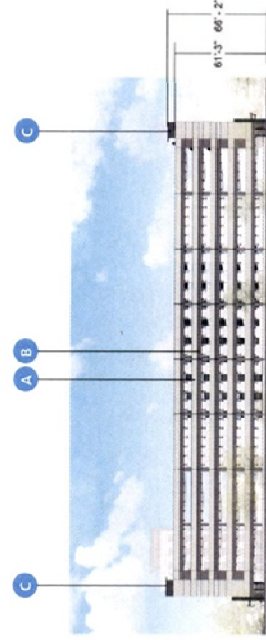


PARKING GARAGE | PD05

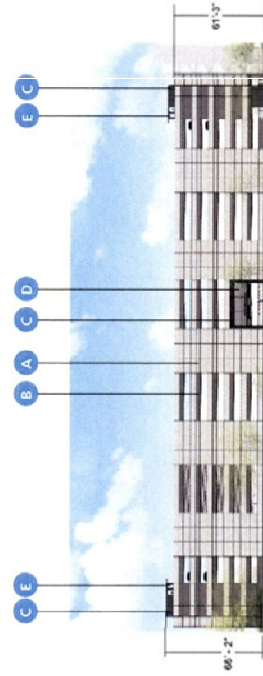
P36



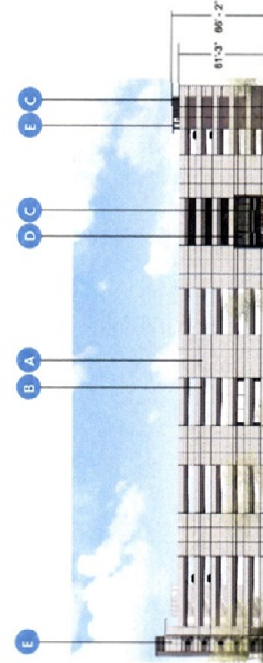
NORTH ELEVATION



SOUTH ELEVATION



EAST ELEVATION

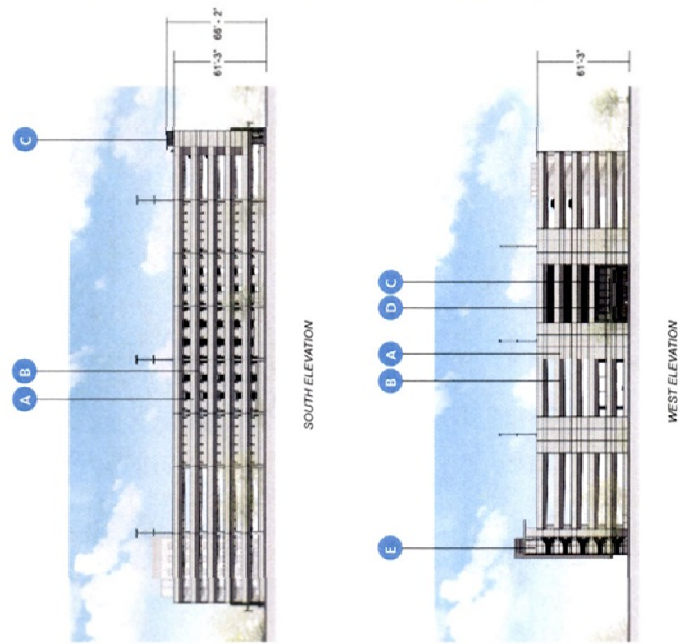
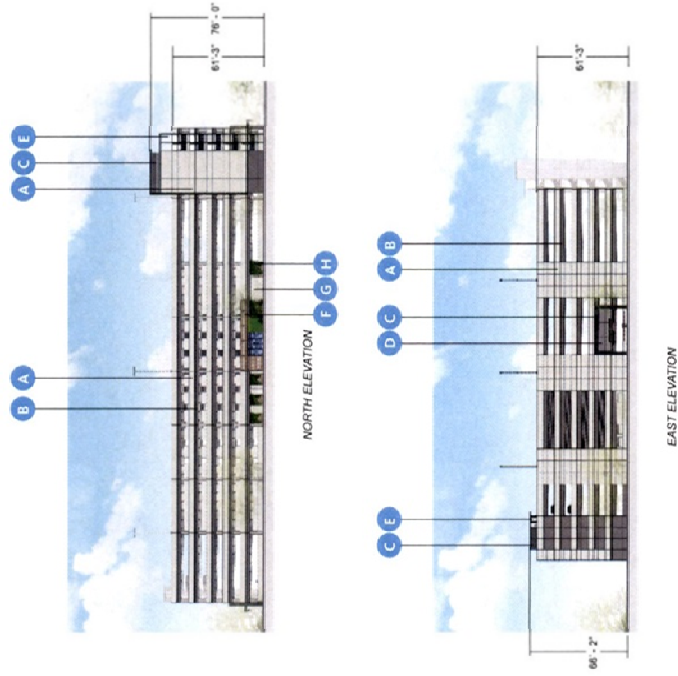


WEST ELEVATION

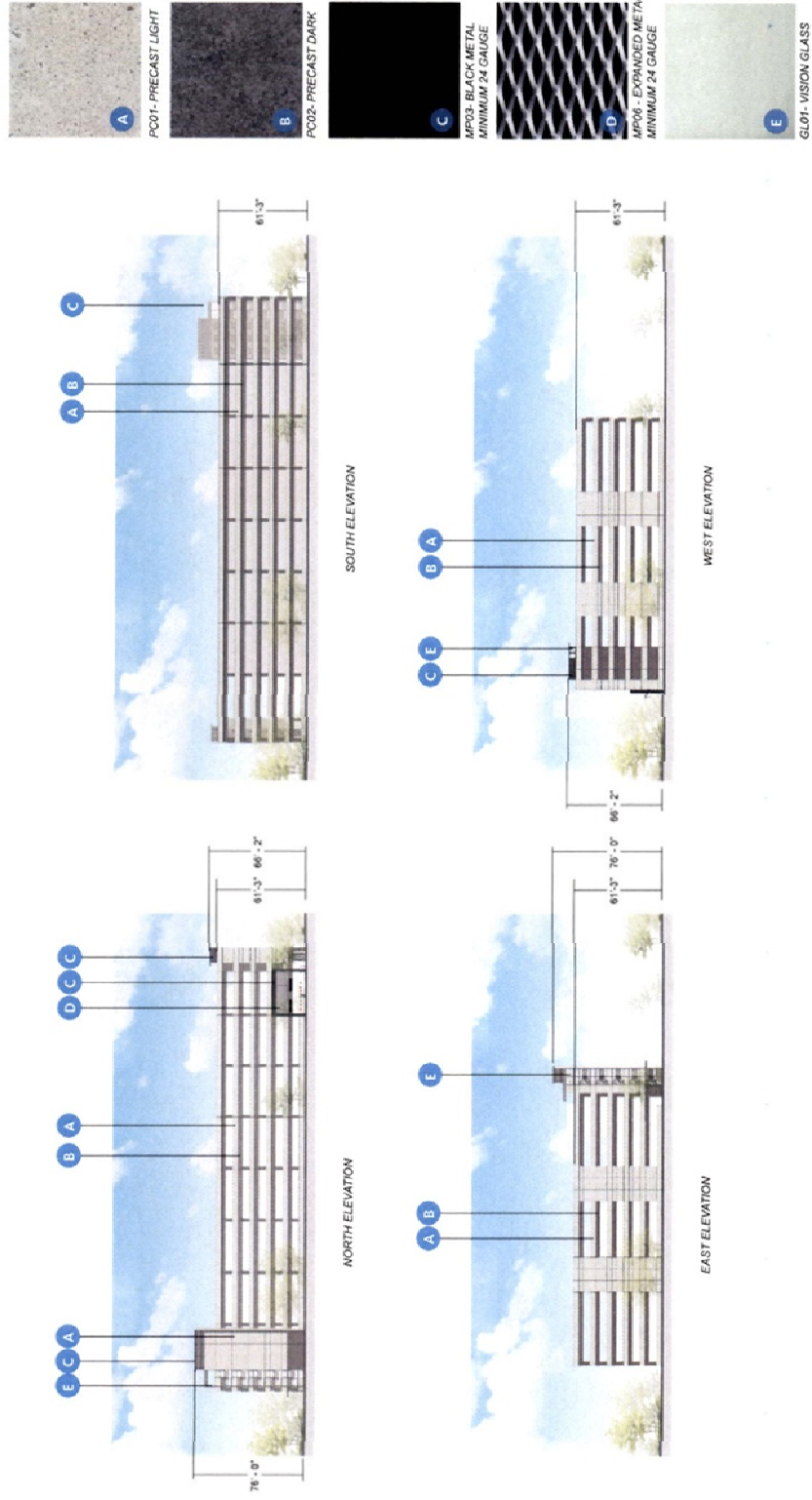


PARKING GARAGE | PD06

P37

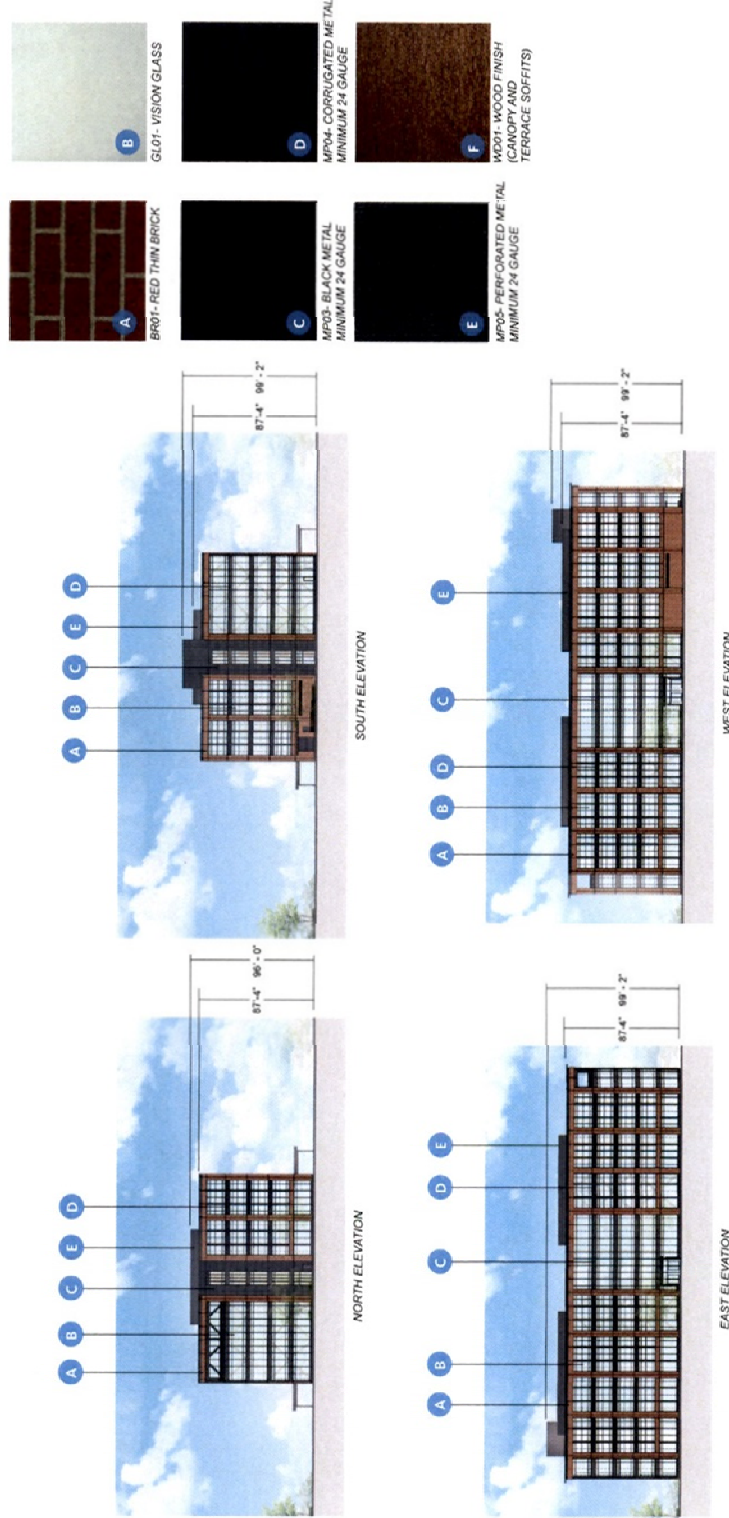


- A PC01 - PRECAST LIGHT
- B PC02 - PRECAST DARK
- C MS03 - BLACK METAL MINIMUM 24 GAUGE
- D MS06 - EXPANDED METAL MINIMUM 24 GAUGE
- E GL01 - VISION GLASS
- F WD01 - WOOD VENEER
- G BR01 - BRICK VENEER
- H WC01 - GREEN WALL



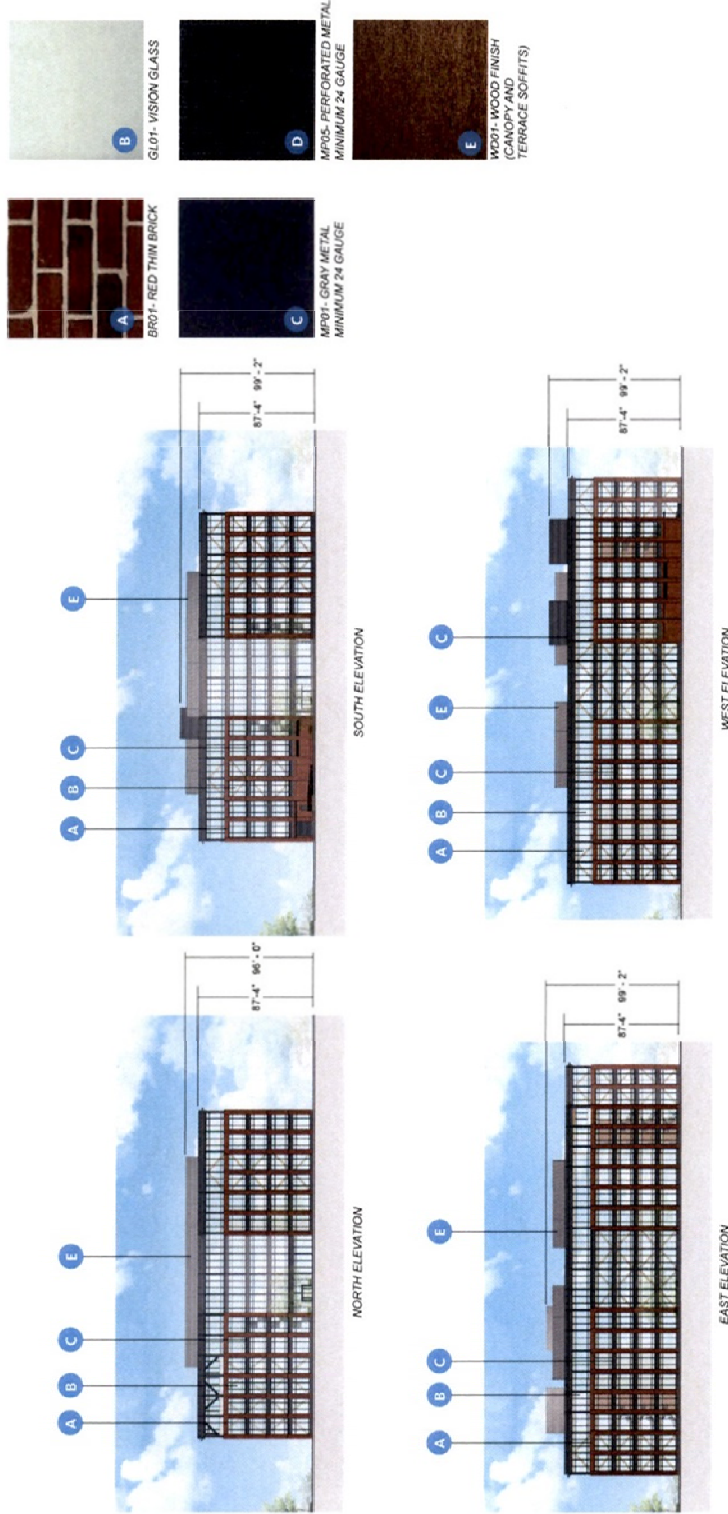
OFFICE BUILDING OF09 | MILL

P39



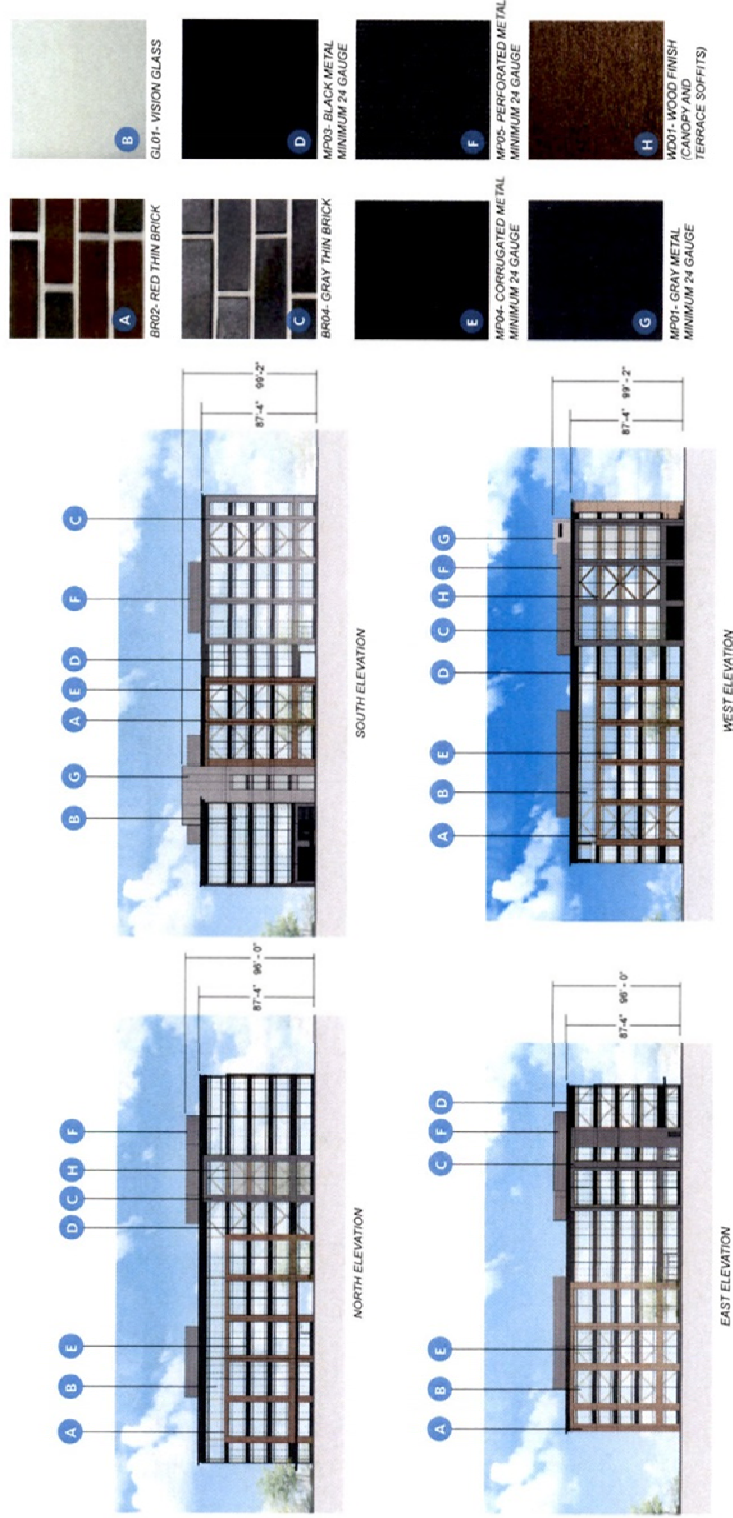
OFFICE BUILDING OF10 | FOUNDRY

P40



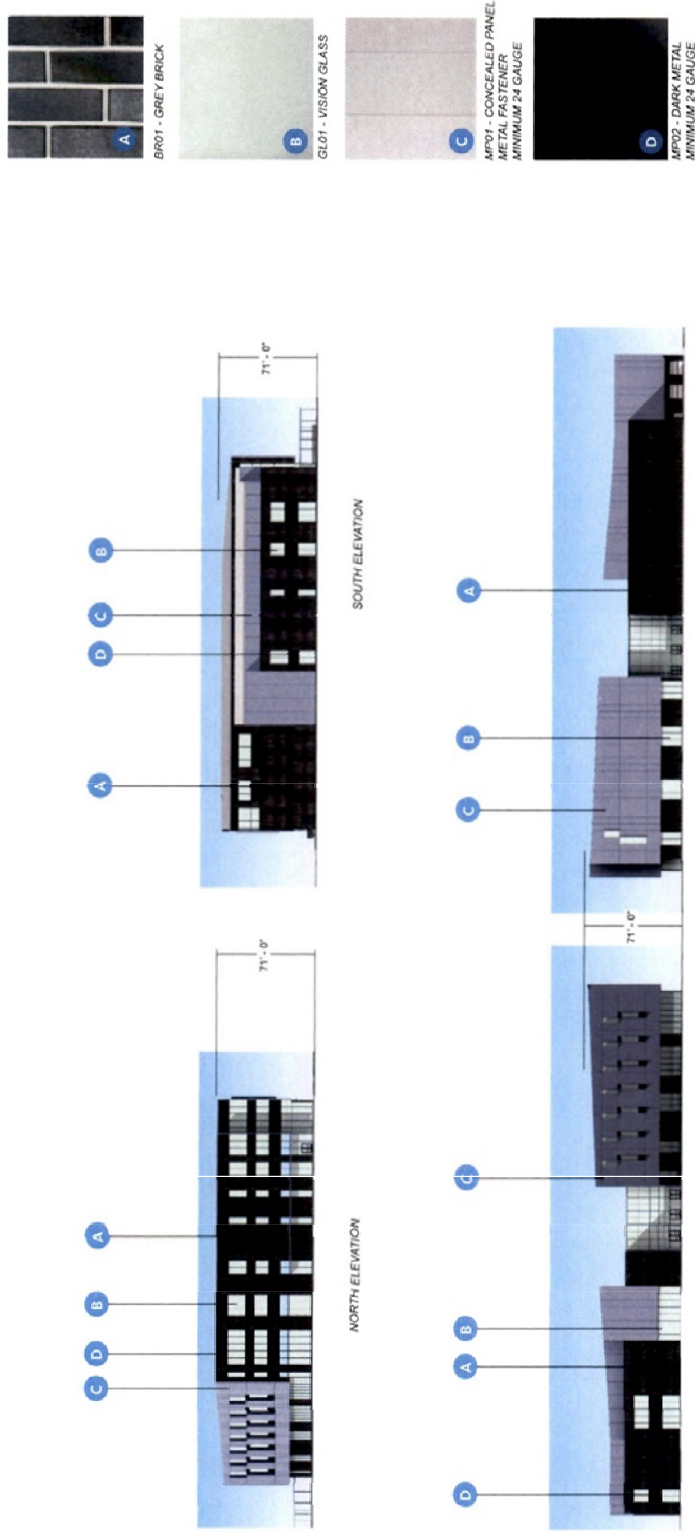
OFFICE BUILDING OF11 | COLLECTION

P41



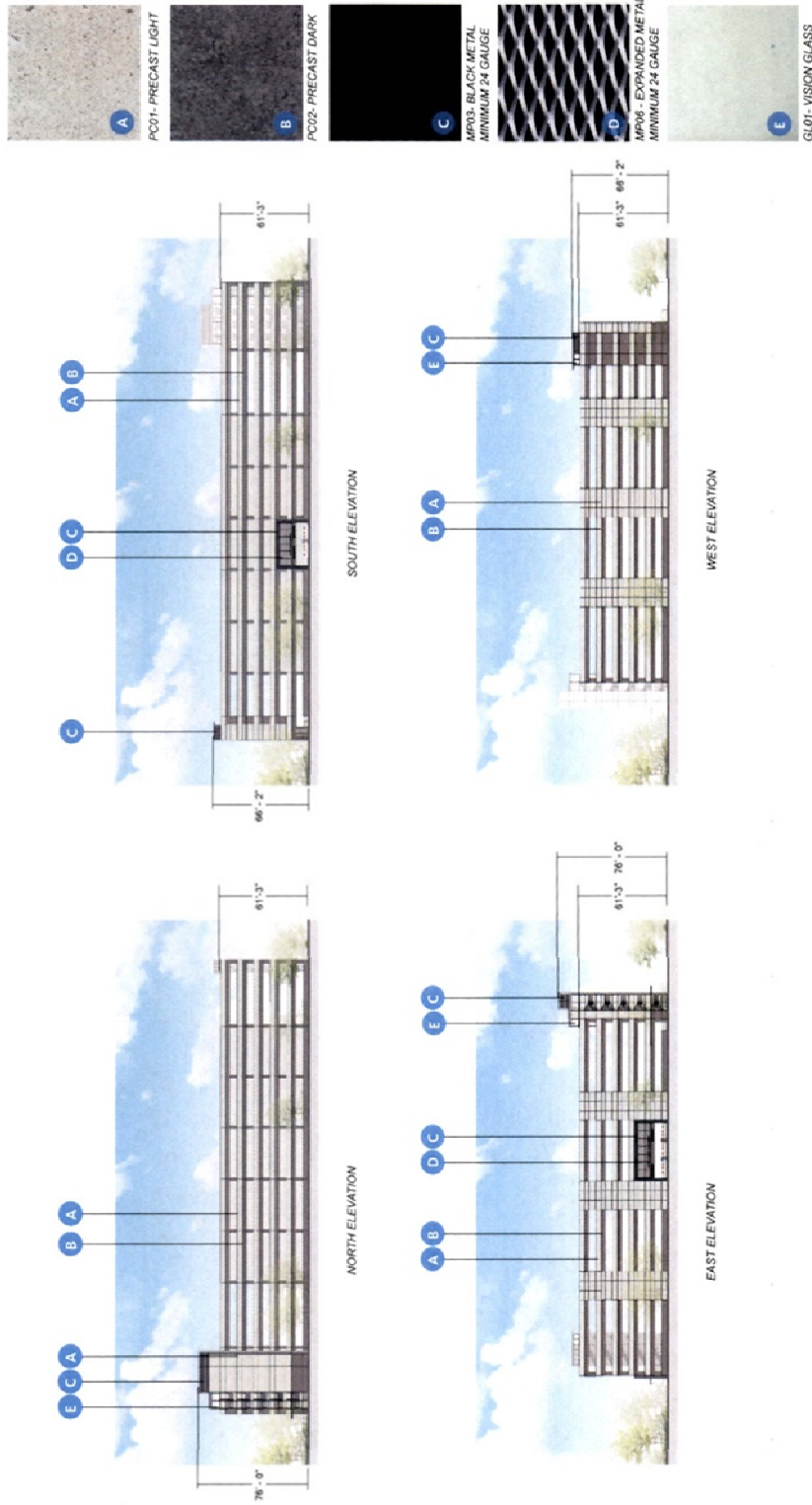
BUILDING G-04 | AUDITORIUM, CONFERENCE AND TRAINING CENTER

P42



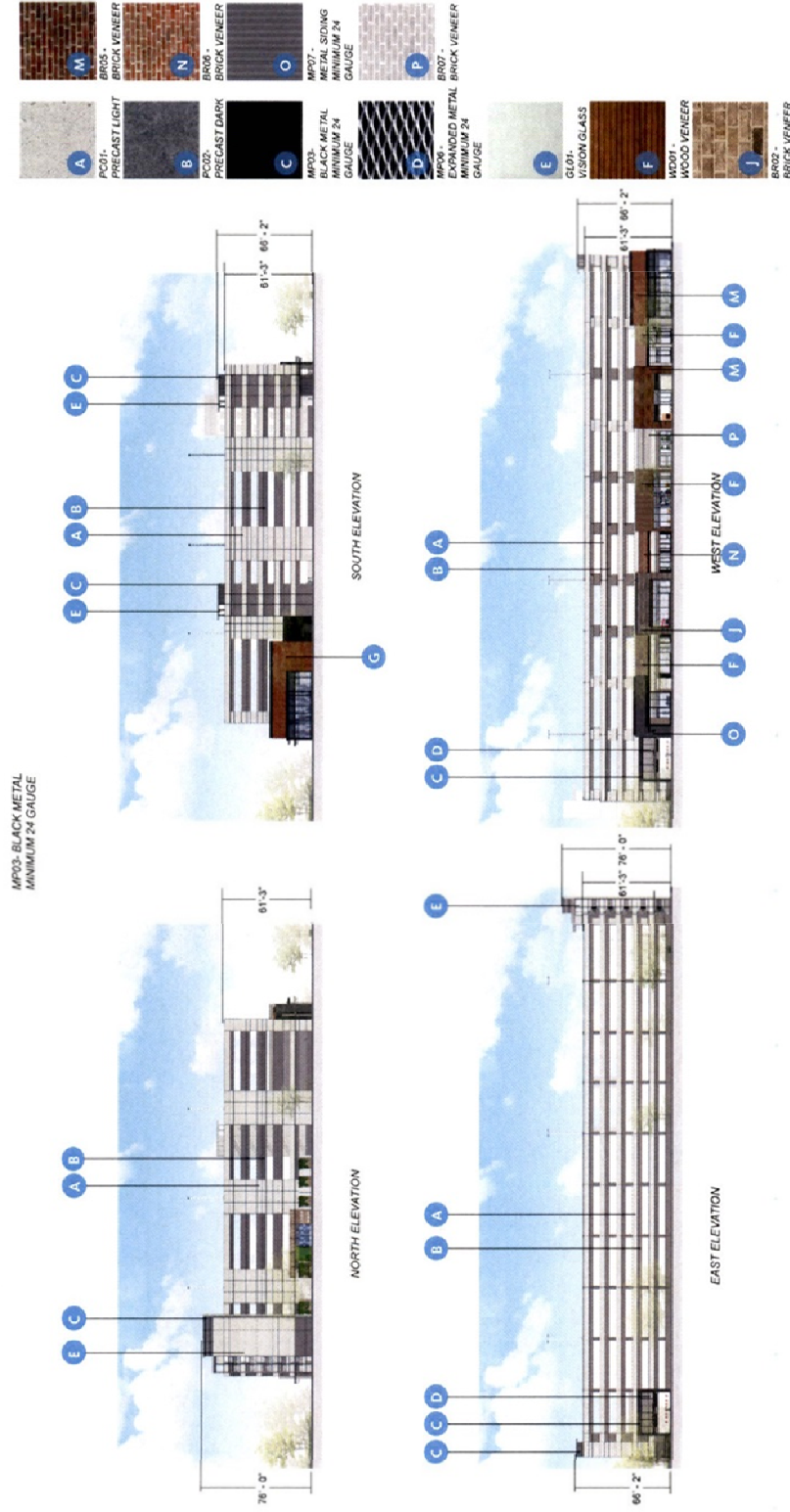
PARKING GARAGE | PD07

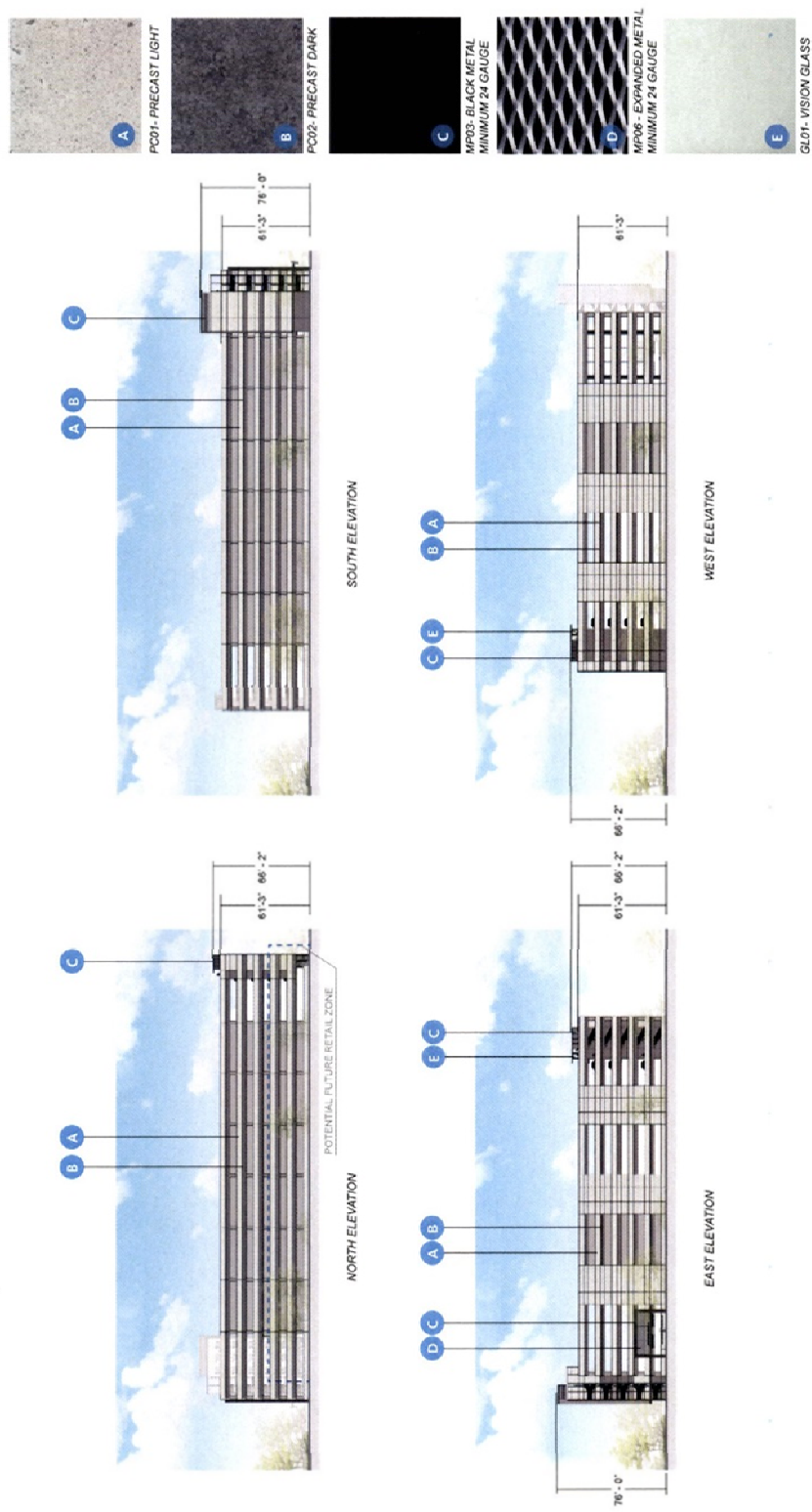
P43



PARKING GARAGE | PD08

P44





NOTICE OF INTENT TO REZONE

Wal-Mart Stores, East, LP has requested the Bentonville Planning Commission to set a public hearing date to consider rezoning the following property from

I-2, Heavy Industrial, C-2, R-1, R-2 & R-O to PUD, Planned Unit Development

The legal description of the property is as follows:

See attached legal descriptions.

The common description of the property is: 1903 SE 10th Street

Proposed land use: Campus Office and related uses

The public hearing will be held August 18, 2020 at 5:00 p.m. It will be held at 305 S.W. "A" Street.

This notification is in response to the requirement that all property owners within 200 feet of said property must be notified. If you wish to express any comments about the requested rezoning, you may respond by the following methods:

1. Attend the public hearing and express your views.
2. Express your opinion in writing to the Planning Commission. You may mail this or and deliver it to the City of Bentonville Planning Department, 305 S.W. A Street, Bentonville, AR 72712.
3. Use the bottom of this form to express your opinion by checking the appropriate box. (This may also be delivered or mailed to the above address.).

For more information, you may call the Planning Department at (479) 271-3122.

I/we have received notice of the public hearing for the rezoning of the above described property and:

☒ I / we have no objections to the rezoning.

☐ I / we object to the rezoning because:

Signature and Physical Address

Signature and Physical Address

AR 72712



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Signature and Physical Address

ORDINANCE NO. _____

AN ORDINANCE CHANGING REAL ESTATE IN THE CITY OF BENTONVILLE, ARKANSAS, FROM ITS PRESENT ZONING CLASSIFICATION OF I-2, HEAVY INDUSTRIAL, R-3, MEDIUM DENSITY RESIDENTIAL, R-O, RESIDENTIAL OFFICE, AND C-2, GENERAL COMMERCIAL TO PUD, PLANNED UNIT DEVELOPMENT (PROJECT NUMBER: PUD20-0002).

WHEREAS, Wal-Mart Stores, Inc. duly filed a petition with the Planning Commission requesting that the hereinafter described property situated in Benton County, Arkansas, be changed from its present zoning classification of I-2, Heavy Industrial, R-3, Medium Density Residential, R-O, Residential Office, and C-2, General Commercial to PUD, Planned Unit Development to be used in accordance with city zoning laws and state laws, which property is described as follows:

LEGAL DESCRIPTION LOT 1: A 91.18-ACRE TRACT OF LAND BEING A PART OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 32, TOWNSHIP 20 NORTH, RANGE 30 WEST, BEING MORE PARTICULARLY KNOWN AS, AND BEING DESCRIBED BY METES AND BOUNDS FROM AN ON-THE-GROUND SURVEY BASED ON BEARINGS ESTABLISHED USING NAD83 PERFORMED ON 11-3-17 BY CEI ENGINEERING ASSOCIATES, INC. AS FOLLOWS:BEGINNING AT THE SOUTHWEST CORNER OF KATIE LYNN COURTS SUBDIVISION;THENCE SOUTH 86°21'32" EAST ALONG THE SOUTH BOUNDARY OF SAID SUBDIVISION, 449.72 FEET TO THE SOUTHEAST OF SAID SUBDIVISION;THENCE NORTH 02°36'08" EAST ALONG THE EAST BOUNDARY OF SAID SUBDIVISION, 617.21 FEET TO THE SOUTH RIGHT OF WAY OF EAST CENTRAL AVENUE;THENCE SOUTH 87°02'06" EAST ALONG SAID RIGHT OF WAY, 225.53 FEET; THENCE LEAVING SAID RIGHT OF WAY, SOUTH 02°35'42" WEST, 1,237.02 FEET NORTH RIGHT OF WAY OF SOUTHEAST 5TH STREET; THENCE SOUTH 87°13'27" EAST ALONG SAID RIGHT OF WAY, 1,228.02 FEET TO THE EAST RIGHT OF WAY OF PROPOSED MARTIN LUTHER KING JR PARKWAY;THENCE ALONG SAID PROPOSED MARTIN LUTHER KING JR PARKWAY THE FOLLOWING FOURTEEN (14) COURSES; 1. SOUTH 02°40'12" EAST, 89.12 FEET; 2. SOUTH 87°31'55" EAST, 18.58 FEET; 3. SOUTH 36°00'17" EAST, 36.21 FEET; 4. SOUTH 02°21'07" WEST, 58.41 FEET; 5. SOUTH

04°59'55" WEST, 48.92 FEET ON A NON-TANGENT CURVE TO THE LEFT; 6. ALONG THE ARC OF SAID CURVE 92.59 FEET, HAVING A RADIUS OF 503.71 FEET, THROUGH A CENTRAL ANGLE OF 10°31'56", HAVING A CHORD WHICH BEARS SOUTH 02°04'26" WEST, 92.46 FEET TO A POINT ON A REVERSE TANGENT CURVE TO THE RIGHT; 7. ALONG THE ARC OF SAID CURVE 100.05 FEET, HAVING A RADIUS OF 930.22 FEET, THROUGH A CENTRAL ANGLE OF 06°09'45", HAVING A CHORD BEARING AND DISTANCE OF SOUTH 00°06'40" EAST, 100.00 FEET TO A POINT ON A COMPOUND TANGENT CURVE TO THE RIGHT; 8. ALONG THE ARC OF SAID CURVE 193.14 FEET, HAVING A RADIUS OF 739.68 FEET, THROUGH A CENTRAL ANGLE OF 14°57'38", HAVING A CHORD BEARING AND DISTANCE OF SOUTH 10°27'02" WEST, 192.59 FEET TO A POINT ON A REVERSE TANGENT CURVE TO THE LEFT; 9. ALONG THE ARC OF SAID CURVE 196.73 FEET, HAVING A RADIUS OF 723.52 FEET, THROUGH A CENTRAL ANGLE OF 15°34'44", HAVING A CHORD BEARING AND DISTANCE OF SOUTH 10°08'29" WEST, 196.12 FEET TO A POINT ON A NON-TANGENT CURVE TO THE RIGHT; 10. ALONG THE ARC OF SAID CURVE 53.38 FEET, HAVING A RADIUS OF 653.23 FEET, THROUGH A CENTRAL ANGLE OF 04°40'57", HAVING A CHORD WHICH BEARS SOUTH 02°21'07" WEST, 53.37 FEET ON A NON-TANGENT CURVE TO THE RIGHT; 11. ALONG THE ARC OF SAID CURVE 79.59 FEET, HAVING A RADIUS OF 346.03 FEET, THROUGH A CENTRAL ANGLE OF 13°10'45", HAVING A CHORD WHICH BEARS SOUTH 08°56'30" WEST, 79.42 FEET TO A POINT ON A REVERSE TANGENT CURVE TO THE LEFT; 12. ALONG THE ARC OF SAID CURVE 85.56 FEET, HAVING A RADIUS OF 394.76 FEET, THROUGH A CENTRAL ANGLE OF 12°25'05", HAVING A CHORD BEARING AND DISTANCE OF SOUTH 09°19'20" WEST, 85.39 FEET; 13. SOUTH 02°46'24" WEST, 259.84 FEET; 14. SOUTH 48°08'01" WEST, 18.03 FEET TO THE NORTH RIGHT OF WAY OF 8TH STREET; THENCE CONTINUING ALONG SAID RIGHT OF WAY, NORTH 87°57'51" WEST, 718.82 FEET TO THE NORTH RIGHT OF WAY OF TRACT RR, JOB 090218 IN DOCUMENT CV-2015-1895-5 IN THE PUBLIC RECORDS OF BENTON COUNTY, ARKANSAS; THENCE CONTINUING ALONG SAID RIGHT OF WAY, NORTH 64°27'18" WEST, 459.85 FEET TO THE EAST RIGHT OF WAY OF SOUTHEAST P STREET; THENCE CONTINUING ALONG SAID RIGHT OF WAY, SOUTH 01°51'26" WEST, 65.70 FEET TO THE SOUTH RIGHT OF WAY OF AFOREMENTIONED TRACT RR;

THENCE CONTINUING ALONG SAID RIGHT OF WAY, SOUTH 64°05'38" EAST ALONG THE, 290.94 FEET TO THE AFOREMENTIONED NORTH RIGHT OF WAY OF SOUTHEAST 8TH STREET; THENCE CONTINUING ALONG SAID NORTH RIGHT OF WAY THE FOLLOWING EIGHT (8) COURSES, 1. NORTH 87°57'51" WEST, 258.08 FEET; 2. NORTH 86°55'09" WEST, 68.15 FEET; 3. NORTH 88°47'56" WEST, 35.03 FEET; 4. NORTH 47°09'36" EAST, 5.28 FEET; 5. NORTH 87°45'25" WEST, 905.65 FEET; 6. NORTH 75°37'05" WEST, 60.05 FEET; 7. NORTH 87°49'33" WEST, 187.70 FEET; 8. NORTH 46°10'36" WEST, 39.87 FEET TO THE EAST RIGHT OF WAY OF SOUTHEAST J STREET; THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING SIXTEEN (16) COURSES; 1. NORTH 12°40'36" EAST, 54.29 FEET; 2. NORTH 03°22'06" EAST, 238.32 FEET; 3. NORTH 13°59'43" WEST, 44.75 FEET; 4. NORTH 04°15'29" WEST, 60.69 FEET; 5. NORTH 01°46'25" EAST, 192.86 FEET; 6. SOUTH 88°10'33" EAST, 7.57 FEET; 7. NORTH 17°18'47" EAST, 99.98 FEET; 8. NORTH 72°41'13" WEST, 35.69 FEET; 9. NORTH 04°22'39" EAST, 298.90 FEET; 10. NORTH 01°15'38" EAST, 166.43 FEET; 11. NORTH 47°17'02" EAST, 18.76 FEET; 12. NORTH 02°17'02" EAST, 92.14 FEET; 13. NORTH 13°57'09" WEST, 12.67 FEET; 14. NORTH 87°20'20" WEST, 10.04 FEET; 15. NORTH 50°05'47" WEST, 14.73 FEET; 16. NORTH 01°43'24" EAST, 391.26 FEET; THENCE LEAVING SAID RIGHT OF WAY, SOUTH 87°21'09" EAST, 575.04 FEET; THENCE NORTH 02°33'22" EAST, 225.11 FEET TO THE POINT OF BEGINNING CONTAINING 3,971,728 SQUARE FEET OR 91.18 ACRES, MORE OR LESS. LEGAL DESCRIPTION LOT 2: A 144.01-ACRE TRACT OF LAND BEING A PART OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION 32, TOWNSHIP 20 NORTH, RANGE 30 WEST, BEING MORE PARTICULARLY KNOWN AS, AND BEING DESCRIBED BY METES AND BOUNDS FROM AN ON-THE-GROUND SURVEY BASED ON BEARINGS ESTABLISHED USING NAD83 PERFORMED ON 11-3-17 BY CEI ENGINEERING ASSOCIATES, INC. AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF HAZEL PARK SUBDIVISION; THENCE SOUTH 02°32'15" WEST ALONG THE WEST BOUNDARY OF SAID SUBDIVISION, 2,270.34 FEET; THENCE LEAVING SAID WEST BOUNDARY, SOUTH 32°33'35" WEST, 39.47 FEET TO THE NORTH RIGHT OF WAY OF SOUTHEAST 14TH STREET; THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING FIFTEEN (15) COURSES; 1. NORTH 87°30'43" WEST, 95.07 FEET; 2. SOUTH 79°50'08" WEST, 134.49 FEET; 3. NORTH 87°39'12" WEST, 132.29 FEET; 4. NORTH 38°48'29" WEST,

9.59 FEET;5. NORTH 87°32'29" WEST, 70.69 FEET;6. SOUTH 38°22'59" WEST, 8.89 FEET;7. NORTH 87°32'16" WEST, 549.94 FEET;8. NORTH 43°32'05" WEST, 100.65 FEET;9. NORTH 87°29'45" WEST, 135.87 FEET;10. NORTH 87°29'45" WEST, 74.09 FEET;11. NORTH 79°12'23" WEST, 20.49 FEET;12. NORTH 87°30'44" WEST, 584.80 FEET;13. SOUTH 81°10'04" WEST, 122.27 FEET;14. NORTH 87°30'44" WEST, 496.34 FEET;15. NORTH 46°44'15" WEST, 28.06 FEET TO THE EAST RIGHT OF WAY OF SOUTHEAST J STREET;THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING TWENTY-SEVEN (27) COURSES; 1. NORTH 02°37'27" WEST, 221.30 FEET;2. NORTH 21°56'24" WEST, 26.75 FEET;3. NORTH 02°23'08" EAST, 236.13 FEET;4. NORTH 16°58'01" EAST, 58.89 FEET;5. NORTH 01°14'13" EAST, 46.42 FEET;6. NORTH 05°55'17" WEST, 27.25 FEET;7. NORTH 05°55'17" WEST, 4.73 FEET;8. NORTH 02°17'17" EAST, 8.12 FEET;9. NORTH 02°17'17" EAST, 159.44 FEET;10. NORTH 08°20'36" EAST, 125.40 FEET;11. NORTH 02°07'25" EAST, 391.12 FEET;12. NORTH 34°06'34" EAST, 25.05 FEET;13. NORTH 02°17'43" EAST, 105.98 FEET;14. NORTH 50°24'25" WEST, 31.57 FEET;15. NORTH 03°15'04" EAST, 158.34 FEET;16. NORTH 00°52'41" EAST, 77.78 FEET;17. NORTH 07°26'03" EAST, 108.93 FEET;18. NORTH 07°26'03" EAST, 19.97 FEET;19. NORTH 03°19'09" EAST, 77.94 FEET;20. NORTH 03°19'09" EAST, 90.86 FEET;21. SOUTH 86°32'22" EAST, 2.05 FEET;22. NORTH 05°32'52" EAST, 115.49 FEET;23. NORTH 01°18'47" WEST, 102.87 FEET;24. NORTH 03°11'15" EAST, 44.65 FEET;25. NORTH 07°41'16" EAST, 60.81 FEET;26. NORTH 00°34'31" WEST, 107.73 FEET;27. NORTH 00°34'31" WEST, 40.59 FEET TO THE SOUTH RIGHT OF WAY OF SOUTHEAST 8TH STREET; THENCE ALONG SAID RIGHT OF WAY, SOUTH 87°46'56" EAST ALONG, 1,891.88 FEET TO THE SOUTH RIGHT OF WAY OF TRACT RR, JOB 090218 IN DOCUMENT CV-2015-1895-5 IN THE PUBLIC RECORDS OF BENTON COUNTY, ARKANSAS; THENCE ALONG SAID TRACT RR, SOUTH 71°14'38" EAST, 684.84 FEET TO THE POINT OF BEGINNING; CONTAINING 6,273,272 SQUARE FEET OR 144.01 ACRES, MORE OR LESS.LESS AND EXCEPT A 6.11-ACRE TRACT OF LAND BEING A PART OF THE SOUTHEAST QUARTER (SE1/4) OF SECTION 32, TOWNSHIP 20 NORTH, RANGE 30 WEST, BEING MORE PARTICULARLY KNOWN AS, AND BEING DESCRIBED BY METES AND BOUNDS FROM AN ON-THE-GROUND SURVEY BASED ON BEARINGS ESTABLISHED USING NAD83 PERFORMED ON 11-3-17 BY CEI ENGINEERING ASSOCIATES, INC. AS FOLLOWS:COMMENCING AT THE NORTHWEST CORNER OF HAZEL PARK

SUBDIVISION;THENCE SOUTH 02°32'15" WEST, 1793.91 FEET;THENCE NORTH 87°27'45" WEST, 1073.81 FEET TO THE POINT OF BEGINNING;THENCE ALONG THE ARC OF SAID CURVE 69.73 FEET, HAVING A RADIUS OF 405.77 FEET, THROUGH A CENTRAL ANGLE OF 09°50'44", HAVING A CHORD WHICH BEARS NORTH 76°32'20" WEST, 69.64 FEET TO A POINT ON A REVERSE TANGENT CURVE TO THE LEFT;THENCE ALONG THE ARC OF SAID CURVE 66.46 FEET, HAVING A RADIUS OF 110.00 FEET, THROUGH A CENTRAL ANGLE OF 34°37'04", HAVING A CHORD BEARING AND DISTANCE OF NORTH 88°55'30" WEST, 65.45 FEET TO A POINT ON A REVERSE TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 115.66 FEET, HAVING A RADIUS OF 3,047.30 FEET, THROUGH A CENTRAL ANGLE OF 02°10'29", HAVING A CHORD BEARING AND DISTANCE OF SOUTH 74°51'13" WEST, 115.65 FEET TO A POINT ON A COMPOUND TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 91.20 FEET, HAVING A RADIUS OF 60.00 FEET, THROUGH A CENTRAL ANGLE OF 87°05'31", HAVING A CHORD BEARING AND DISTANCE OF NORTH 60°30'48" WEST, 82.67 FEET;THENCE NORTH 15°17'05" WEST, 30.00 FEET TO A POINT ON A NON-TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 163.02 FEET, HAVING A RADIUS OF 585.70 FEET, THROUGH A CENTRAL ANGLE OF 15°56'51", HAVING A CHORD WHICH BEARS NORTH 05°50'33" WEST, 162.49 FEET TO A POINT ON A REVERSE TANGENT CURVE TO THE LEFT;THENCE ALONG THE ARC OF SAID CURVE 114.36 FEET, HAVING A RADIUS OF 85.00 FEET, THROUGH A CENTRAL ANGLE OF 77°05'22", HAVING A CHORD BEARING AND DISTANCE OF NORTH 36°24'49" WEST, 105.93 FEET;THENCE NORTH 74°57'30" WEST, 31.16 FEET; THENCE NORTH 15°02'30" EAST, 15.41 FEET TO A POINT ON A NON-TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 15.11 FEET, HAVING A RADIUS OF 14.24 FEET, THROUGH A CENTRAL ANGLE OF 60°46'50", HAVING A CHORD WHICH BEARS NORTH 46°01'09" EAST, 14.41 FEET TO A POINT ON A COMPOUND TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 4.26 FEET, HAVING A RADIUS OF 196.85 FEET, THROUGH A CENTRAL ANGLE OF 01°14'24", HAVING A CHORD BEARING AND DISTANCE OF NORTH 77°01'46" EAST, 4.26 FEET TO A POINT ON A COMPOUND TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE

74.76 FEET, HAVING A RADIUS OF 403.30 FEET, THROUGH A CENTRAL ANGLE OF 10°37'15", HAVING A CHORD BEARING AND DISTANCE OF NORTH 82°57'35" EAST, 74.65 FEET TO A POINT ON A NON-TANGENT CURVE TO THE LEFT;THENCE ALONG THE ARC OF SAID CURVE 24.18 FEET, HAVING A RADIUS OF 11.49 FEET, THROUGH A CENTRAL ANGLE OF 120°31'48", HAVING A CHORD WHICH BEARS NORTH 20°18'00" EAST, 19.96 FEET TO A POINT ON A REVERSE TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 56.69 FEET, HAVING A RADIUS OF 52.70 FEET, THROUGH A CENTRAL ANGLE OF 61°38'28", HAVING A CHORD BEARING AND DISTANCE OF NORTH 09°08'40" WEST, 54.00 FEET TO A POINT ON A COMPOUND TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 57.97 FEET, HAVING A RADIUS OF 483.84 FEET, THROUGH A CENTRAL ANGLE OF 06°51'52", HAVING A CHORD BEARING AND DISTANCE OF NORTH 25°06'30" EAST, 57.93 FEET TO A POINT ON A COMPOUND TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 50.01 FEET, HAVING A RADIUS OF 89.86 FEET, THROUGH A CENTRAL ANGLE OF 31°53'18", HAVING A CHORD BEARING AND DISTANCE OF NORTH 44°29'05" EAST, 49.37 FEET TO A POINT ON A COMPOUND TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 51.28 FEET, HAVING A RADIUS OF 350.51 FEET, THROUGH A CENTRAL ANGLE OF 08°22'54", HAVING A CHORD BEARING AND DISTANCE OF NORTH 64°37'11" EAST, 51.23 FEET;THENCE NORTH 17°57'00" EAST, 25.58 FEET TO A POINT ON A NON-TANGENT CURVE TO THE LEFT;THENCE ALONG THE ARC OF SAID CURVE 30.32 FEET, HAVING A RADIUS OF 253.43 FEET, THROUGH A CENTRAL ANGLE OF 06°51'20", HAVING A CHORD WHICH BEARS NORTH 59°07'09" EAST, 30.31 FEET;THENCE SOUTH 86°39'20" EAST, 367.10 FEET; THENCE NORTH 50°25'54" EAST, 20.40 FEET; THENCE SOUTH 02°27'56" WEST, 298.33 FEET TO A POINT ON A NON-TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 75.76 FEET, HAVING A RADIUS OF 245.71 FEET, THROUGH A CENTRAL ANGLE OF 17°40'00", HAVING A CHORD WHICH BEARS SOUTH 09°50'35" WEST, 75.46 FEET TO A POINT ON A COMPOUND TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 80.56 FEET, HAVING A RADIUS OF 292.17 FEET, THROUGH A CENTRAL ANGLE OF 15°47'55", HAVING A CHORD BEARING AND DISTANCE OF SOUTH

26°34'32" WEST, 80.31 FEET;THENCE SOUTH 34°28'30" WEST ALONG THE, 73.31 FEET TO A POINT ON A NON-TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 58.44 FEET, HAVING A RADIUS OF 631.37 FEET, THROUGH A CENTRAL ANGLE OF 05°18'12", HAVING A CHORD WHICH BEARS SOUTH 39°13'22" WEST, 58.42 FEET TO A POINT ON A NON-TANGENT CURVE TO THE RIGHT;THENCE ALONG THE ARC OF SAID CURVE 40.62 FEET, HAVING A RADIUS OF 50.00 FEET, THROUGH A CENTRAL ANGLE OF 46°33'05", HAVING A CHORD WHICH BEARS SOUTH 75°15'45" WEST, 39.52 FEET TO THE POINT OF BEGINNING; CONTAINING 265,994 SQUARE FEET OR 6.11 ACRES, MORE OR LESS. LEGAL DESCRIPTION LOT 3: A 2.15-ACRE TRACT OF LAND BEING A PART OF THE SOUTHEAST QUARTER (NE1/4) OF SECTION 32, TOWNSHIP 20 NORTH, RANGE 30 WEST AND ALSO PART OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 33, TOWNSHIP 20 NORTH, RANGE 30 WEST , BEING MORE PARTICULARLY KNOWN AS, AND BEING DESCRIBED BY METES AND BOUNDS FROM AN ON-THE-GROUND SURVEY BASED ON BEARINGS ESTABLISHED USING NAD83 PERFORMED ON 11-3-17 BY CEI ENGINEERING ASSOCIATES, INC. AS FOLLOWS: BEGINNING THE NORTHWEST CORNER OF LOT 14 OF DELWHITE SUBDIVISION RECORDED IN BOOK 2006, PAGE 738 OF BENTON COUNTY, ARKANSAS;THENCE SOUTH 02°56'05" WEST, 189.76 FEET; THENCE SOUTH 73°05'31" WEST, 106.21 FEET TO THE NORTH RIGHT OF WAY OF TRACT RR, JOB 090218 IN DOCUMENT CV-2015-1895-5 IN THE PUBLIC RECORDS OF BENTON COUNTY, ARKANSAS; THENCE ALONG SAID TRACT RR, NORTH 71°10'53" WEST, 709.24 FEET TO THE SOUTH RIGHT OF WAY OF SOUTHEAST 8TH STREET;THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING FIVE (5) COURSES;1. SOUTH 87°46'56" EAST, 327.28 FEET; 2. SOUTH 82°54'41" EAST, 128.85 FEET; 3. NORTH 47°24'39" EAST, 48.55 FEET; 4. SOUTH 87°25'13" EAST, 191.37 FEET; 5. SOUTH 87°41'47" EAST, 100.92 FEET TO THE POINT OF BEGINNING; CONTAINING 93,690 SQUARE FEET OR 2.15 ACRES, MORE OR LESS.; and,

WHEREAS, the Planning Commission duly met and considered the application and duly set the petition for public hearing to be held August 18, 2020 in the Council Chambers of the City of Bentonville; and,

WHEREAS, public notice of said hearing having been published in the Northwest Arkansas Democrat-Gazette for the time and in the manner required by law; and,

WHEREAS, the Planning Commission voted to recommend to the City Council that the petition be approved and that said property be rezoned from its present classification of I-2, Heavy Industrial R-3, Medium Density Residential, R-O, Residential Office, and C-2, General Commercial to PUD, Planned Unit Development.

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

Section 1: That the above described real property is hereby changed from its present zoning classification of I-2, Heavy Industrial R-3, Medium Density Residential, R-O, Residential Office, and C-2, General Commercial to PUD, Planned Unit Development to be used in accordance with the city zoning laws and state laws.

PASSED AND APPROVED this _____ day of _____, 2020.

APPROVED:

ATTEST:

Stephanie Orman, Mayor

City Clerk

FINAL PLAT STAFF REPORT



Providence Village Phase 2

Nomad Road

PC Date: 8/18/2020

Reviewer: Jon Stanley, Senior Planner

Project Number	FP20-0001
Applicant / Current Owner	Providence 2016 LLC 4058 North College Ave, Suite 300 Fayetteville, AR 72712
Site Area	+/- 23.87 Acres
Current Zoning	R-1, Single Family Residential
Future Land Use Map Designation	Low Density Residential (LDR)

<https://arcg.is/08HvK8>

Location Map



Property Description

This property is located in the Providence Village Subdivision, south of Windmill Road. The approximately 24 acre tract of land is zoned R-1, Single Family Residential.

Project Details

The final plat consists of ninety-nine (99) single-family lots with an average lot size of 7,880 square feet. The plat dedicates various 50-foot & 52-foot public street rights-of-ways within the subdivision and various public utility easements to serve the development.

All non-bondable items and guarantees of improvements must be completed and a final inspection performed and approved prior to final plat approval.

Waivers

There are no waivers requested with this final plat.

Analysis and Recommendation

The plat does meet the minimum requirements of the subdivision regulations therefore staff recommends approval.

Standard Conditions of Approval

1. Provide a digital copy of the plat.
2. Address all technical review comments prior to filing or requesting a building permit.
3. The plat shall not be filed until a final inspection has been completed and all non-bondable items accepted.

NOTES

- **Sidewalks.** Sidewalk installation will be the responsibility of individual lot owners at the time of building permit.

ORDINANCE NO. _____

**AN ORDINANCE ACCEPTING A FINAL PLAT OF PROVIDENCE
VILLAGE PHASE II TO THE CITY OF BENTONVILLE, ARKANSAS
(PROJECT NUMBER: FP20-0001).**

WHEREAS, pursuant to the provisions of the Land Development Code of the Bentonville Municipal Code, the final plat of Providence Village Phase II, to the City of Bentonville, Benton County, Arkansas, was submitted to the Bentonville Planning Commission on August 18, 2020; and,

WHEREAS, said final plat is attached hereto as Exhibit "A"; and,

WHEREAS, the Bentonville Planning Commission considered said final plat on the date stated, and at other times, and voted to recommend the approval of said final plat to the City Council; and,

WHEREAS, the final plat of real property as described herein has been submitted to the City Council of the City of Bentonville and, after consideration and deliberation, said Council is of the opinion that said final plat should be approved.

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

Section 1: That the final plat of Providence Village Phase II to the City of Bentonville, Arkansas, should be and the same is hereby accepted and approved for all purposes.

Section 2: That the Mayor and City Clerk be and are hereby authorized and directed to evidence the acceptance of said final plat by certifying said acceptance on the approved final plat.

PASSED AND APPROVED this _____ day of _____, 2020.

APPROVED:

ATTEST:

Stephanie Orman, Mayor

City Clerk



CHECK ALL THAT APPLY		
☐	Bid Award	Bid #
☐	Budget Adjustment	
☐	Change Order	
☐	Informational	
☒	Ordinance	
☐	Resolution	
☐	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Ellen Norvell

Department

Planning

Phone

271-5993

ACTION REQUIRED:

Amendatory ordinance requested by Planning Staff for approval of changing zoning at 404 SW Glover Street from R-1 Single-Family Residential to DN-2 Downtown Medium Density. An error has been discovered on the Desavado Rezoning Ordinance passed at the July 28, 2020 City Council meeting. The applicant made a request to rezone the property at 404 SW Glover Street from R-1 Single-Family Residential to DN-2 Downtown Medium Density. A public hearing was held and the Planning Commission approved rezoning the property to DN-2 Medium Density at the July 21, 2020 Planning Commission meeting. The Ordinance submitted to City Council and approved by City Council on July 28, 2020 read R-2 Duplex and Patio Home Residential instead of DN-2 Downtown Medium Density.

COST TO CITY:

Cost of this Request: \$0

Additional Budget Amount: \$0

☐ One time amount

☐ Continuing O and M

Previously Budgeted	
Funds Expended to Date	-
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE



Memorandum



To: City Council, Mayor Orman
From: Ellen Norvell, Director of Planning
Date: Thursday, August 13, 2020
Re: Amendment to Desavado Rezoning - 404 SW Glover Street

Planning staff is requesting approval of an amendatory ordinance changing zoning at 404 SW Glover Street from R-1 Single-Family Residential to DN-2 Downtown Medium Density. An error has been discovered on the Desavado Rezoning Ordinance passed at the July 28, 2020 City Council meeting. The applicant made a request to rezone the property at 404 SW Glover Street from R-1 Single-Family Residential to DN-2 Downtown Medium Density. A public hearing was held and the Planning Commission approved rezoning the property to DN-2 Medium Density at the July 21, 2020 Planning Commission meeting. The Ordinance submitted to City Council and approved by City Council on July 28, 2020 read R-2 Duplex and Patio Home Residential instead of DN-2 Downtown Medium Density.

ORDINANCE NO. _____

**AN ORDINANCE AMENDING ORDINANCE NO. 2020-140 TO CORRECT THE
CHANGED ZONING CLASSIFICATION TO DN-2, DOWNTOWN MEDIUM-
DENSITY RESIDENTIAL (PROJECT NUMBER: RZ20-0028).**

WHEREAS, Desavado Living Trust duly filed a petition with the Planning Commission requesting that the hereinafter described property situated in Benton County, Arkansas, be changed from its present zoning classification of R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential to be used in accordance with city zoning laws and state laws, which property is described as follows:

LOT 19 OF THE REPLAT OF LOTS 7, 8 AND PART OF LOT 6, FAIRCLO BLOCK
ADDITION TO THE CITY OF BENTONVILLE, ARKANSAS, AS SHOWN IN PLAT
BOOK 8, AT PAGE 104.

and,

WHEREAS, the Planning Commission duly met and considered the application and duly set the petition for public hearing to be held July 21, 2020 in the Council Chambers of the City of Bentonville; and,

WHEREAS, public notice of said hearing having been published in the Benton County Daily Record for the time and in the manner required by law; and,

WHEREAS, the Planning Commission voted to recommend to the City Council that the petition be approved and that said property be rezoned from its present classification of R-1, Single Family Residential to DN-2, Downtown Medium-Density Residential, and,

WHEREAS, the City Council considered this at its meeting on July 28, 2020, and because of a drafting error, adopted Ordinance No. O-2020-140 changing the zoning classification for the property to R-2 Duplex and Patio Home Residential.

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

Section 1: That the above described real property is hereby changed from its present zoning classification to DN-2, Downtown Medium-Density Residential to be used in accordance with the city zoning laws and state laws.

PASSED AND APPROVED this _____ day of _____, 2020.

APPROVED:

ATTEST:

Stephanie Orman, Mayor

City Clerk



CHECK ALL THAT APPLY			
☐	Bid Award	Bid #	
☐	Budget Adjustment		
☐	Change Order		
☐	Informational		
☐	Ordinance		
☐	Resolution		
☒	Other		

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Shelli Kerr

Department

Planning Services

Phone

271-6822

ACTION REQUIRED:

Appointment of Aaron Kohn to the Public Art Advisory Committee (PAAC). Mr. Kohn has direct experience working with public art commissions and has a Bachelor of Arts Degree from Columbia University. This appointment is to fill position #4 vacated by Brittany Braithwaite due a move outside the city. This term expires on 10/31/2021.

COST TO CITY:

Cost of this Request:	\$0
Additional Budget Amount	\$0

☐ One time amount

☐ Continuing O and M

Previously Budgeted	\$ -
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE





August 20, 2020

To: City Council Members & City Clerk
From: Mayor Stephanie Orman
Subject: Appointment of Aaron Kohn to the City of Bentonville's Public Art Advisory Committee.

I recommend Aaron Kohn for appointment to the City of Bentonville's Public Art Advisory Committee. Mr. Kohn will be filling Brittany Braithwaite's unexpired term that will end on October 31, 2021.

Stephanie Orman



APPLICATION FORM

For appointment to City of Bentonville Boards & Commissions

Please Print or Type all Answers

RECEIVED
6.6.20

APPLICANT INFORMATION

Name Aaron Kohn

If married, spouse's name

Home Address

City Bentonville

Zip Code 72712

Home/Cell Phone

Business Phone

Email Address

Occupation Project Management

Employer Walmart

Length of Residency in Bentonville 6 months

FOR OFFICE USE ONLY

Board / Commission Appointed to:

Date of Appointment:

Term Expires:

Terminate:

Replaced:

REFERENCES

Name Philip Sandick, JD

Phone

Email

Name Hilton Lawler

Phone Hilton Lawler

Email

Please select all commissions / boards for which you would like to be considered:

- | | |
|--|---|
| ☐ Advertising & Promotion Commissions | ☐ NACA Board |
| ☐ Airport Advisory Board | ☐ Ozark Regional Transit Authority (Bville representative) |
| ☐ Bentonville Facility Board | ☐ Parks & Recreation Advisory Board |
| ☐ Board of Adjustment | ☐ Planning Commission |
| ☐ Bentonville House Authority | ☒ Public Art Advisory Committee |
| ☐ Criminal Nuisance Abatement Board | ☐ Tree & Landscape Advisory Committee |
| ☐ Library Advisory Board | ☐ Utility Board |

1. What are your qualifications for serving on this commission or board, including education and expertise in the subject matter?

Please see attached list of previous projects, qualifications, and letter of motivation.

2. Why would you like to be considered for appointment to this commission or board?

Please see attached list of previous projects, qualifications, and letter of motivation.

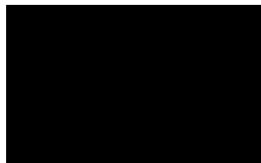
RETURN THIS APPLICATION TO: Submit by E-mail to Janice Hopkins, jhopkins@bentonvillear.com or deliver to the Mayor's Office, 117 West Central, Bentonville, AR 72712. If you have any questions, call 271-3112. If you are not appointed, your application will be kept for one year and will automatically be resubmitted during that time. After a year if you want to be considered for a position, you will need to reapply.

Restrictions on Appointees

By signing below, applicants confirm their awareness that persons appointed to offices of the city are bound by the following rules:

1. It is unlawful to use or attempt to use a city position to gain special privileges or exemptions for yourself, family members, or others in a substantial financial relationship. A.C.A. § 21-8-304(a).
2. It is unlawful to accept employment or engage in public or professional conduct that would require or induce you to disclose confidential city information. A.C.A. § 21-8-304(b).
3. It is unlawful to use information gained by virtue of public service for personal gain or benefit. A.C.A. § 21-8-304(b).
4. It is unlawful to accept a gift or compensation, as defined by law, other than the income and benefits provided by the city, for the performance of the duties and responsibilities of your position. A.C.A. § 21-8-801(a).
5. It is unlawful to be interested, directly or indirectly, in the profits of any contract with the city unless disclosed and permitted by city council. A.C.A. § 14-42-107(b).
6. It is unlawful to receive or furnish utility services unless payment is made according to the usual and regular rates, and in the same manner as the general public. A.C.A. 14-42-108.
7. No person may serve as an officer of the city who has been convicted of a felony offense, or a misdemeanor offense that meets the following definitions:
 - a. Embezzlement of public money,
 - b. Bribery,
 - c. Forgery,
 - d. Abuse of office,
 - e. Tampering, or
 - f. An offense involving deceit, fraud, or false statement, including without limitation a misdemeanor offense related to the election process.

Signature:



Date 2020-06-06

City of Bentonville
117 W Central Avenue
Bentonville, AR 72712

June 6, 2020

Dear City of Bentonville Public Art Advisory Committee,

I am a recent transplant to Bentonville (January). The city's commitment to the arts, and its growing infrastructure were two of the reasons I accepted a role at Walmart and decided to move here. Though my day-job has nothing to do with contemporary arts, I spent the prior 8 years building a contemporary design museum, working on public art commissions, and consulting to arts institutions. In 2013, after graduating from Columbia University, I moved to Johannesburg to open a museum and work on the public arts program in a growing inner-city development—the Maboneng Precinct. I would love to find ways to continue to support education through art, and have an active voice in Bentonville's approach towards engraining creativity in the city.

Many thanks!


Aaron Kohn

Arts Roles:

CONSTITUTION HILL TRUST AND MUSEUMS, JOHANNESBURG, SOUTH AFRICA 2018
Acting Chief Operating Office and Strategic Planning.

CAPE TOWN ART FAIR, CAPE TOWN, SOUTH AFRICA 2016-18
Chief Commercial Officer (Part-Time), post-aquisition by Fiera Milano

MUSEUM OF AFRICAN DESIGN, JOHANNESBURG, SOUTH AFRICA 2013-2017
Founding Director, new institution. Also coordinated public arts commissions amongst 30 buildings in the Maboneng Precinct, home to the museum.

Arts Experiences:

MUSEUM CONVERSATIONS, GOETHE INSTITUTE, WINDHOEK, NAMIBIA 2019
Invited to present paper on public-private partnerships in the arts.

DESIGN INDABA, CAPE TOWN, SOUTH AFRICA 2015 – 2016

Judge—The “Most Beautiful Object in South Africa” Award and traveling exhibit.

FLUX ART FAIR, HARLEM, NY

2014 – 2016

Advisory Board Member—Harlem’s first fringe art fair during Frieze New York.

1:54 AFRICAN ART FAIR, LONDON, UNITED KINGDOM

2016

Moderator and Featured Speaker of Symposium, “African Design.”

ARTS AND CULTURE TRUST, JOHANNESBURG, SOUTH AFRICA

2016

Moderator at Annual Conference, “Antidisciplinarity.”

BLACK PORTRAITURE(S) III, JOHANNESBURG, SOUTH AFRICA

2016

Presented paper at NYU/Harvard Conference.

OPERA, TURIN, ITALY

2015

Speaker at Design Fair, “Prospecting African Design.”

KULTURSTYRELSEN, COPENHAGEN, DENMARK

2015

Delegate—Invited to visit Denmark to identify cross-cultural projects with South Africa.

FUTURE GENERATION ART PRIZE, KIEV, UKRAINE

2014

Africa Ambassador—Promoted the Victor Pinchuk arts initiative in the African region.

LAGOS PHOTO FESTIVAL, LAGOS, NIGERIA

2014

Speaker at Forum, “Photography into Design.”

THE GARAGE MUSEUM, MOSCOW, RUSSIA

2014

Speaker, “Building an African Design Archive.”

COLUMBIA UNIVERSITY, NEW YORK, NY

2014

Speaker, “Building a Museum.”

Education:

COLUMBIA UNIVERSITY, NEW YORK, NY

2013

Bachelor of Arts Degree, African Studies

MBA, AFRICAN LEADERSHIP UNIVERSITY, KIGALI, RWANDA

2018



CHECK ALL THAT APPLY		
☐	Bid Award	Bid #
☐	Budget Adjustment	
☐	Change Order	
☐	Informational	
☒	Ordinance	
☐	Resolution	
☐	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Tracy Billings

Department

Engineering

Phone

271-3130

ACTION REQUIRED:

Public hearing and ordinance vacating a Street Right of Way requested by Sand Creek located in W.A. Burks Addition between Block 14 and 15 (VAC20-0015).

COST TO CITY:

Cost of this Request:

Additional Budget Amount

☐ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

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PLEASE RECYCLE



ORDINANCE NO _____

AN ORDINANCE VACATING A STREET RIGHT OF WAY LOCATED IN W.A. BURKS ADDITION BETWEEN BLOCKS 14 AND 15 TO THE CITY OF BENTONVILLE, ARKANSAS, BENTON COUNTY ARKANSAS (VAC20-0015).

WHEREAS, a petition was filed by Sand Creek, with the City Council of the City of Bentonville, Arkansas, asking the City Council to vacate a street right of way located in the City of Bentonville, Benton County, Arkansas, which portion is more particularly described as follows:

A portion of the 50' wide Street Right-of-Way located in W.A. Burks Addition between Block 14 and Block 15 as shown on Plat Record Book "A" Page 81/119 and Filed for Record at the Benton County Clerk's Office, Benton County, Arkansas, being more particularly described as follow:

Beginning at the Southwest corner of Lot 1, Block 15 of said W.A. Burks Addition, thence following the south line of said Lot 1, Block 15, S86°42'09"E 176.50 feet; thence S 72°22'07"W 50.73 feet; thence N86°40'52"W 129.04 feet to a point on the East Right of way of NE Filmore Street; thence along said Right of way, N03°01'20"E 18.07 feet to the point of beginning containing 2,765 square feet or 0.063 Acres.

WHEREAS, after due notice as required by law, the Council has at the time and place mentioned the notice, heard all persons desiring to be heard on the question; that all the owners of the property abutting the easement to be vacated have joined in the petition or consented to the granting of the petition; and the public interest and welfare will not be adversely affected by the abandonment of the above described street right of way.

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

Section 1: The City of Bentonville, Arkansas releases, vacates and abandons all of its rights together with the rights of the public generally, in and to a street right of way designated as follows:

A portion of the 50' wide Street Right-of-Way located in W.A. Burks Addition between Block 14 and Block 15 as shown on Plat Record Book "A" Page 81/119 and Filed for Record at the Benton County Clerk's Office, Benton County, Arkansas, being more particularly described as follow:

Beginning at the Southwest corner of Lot 1, Block 15 of said W.A. Burks Addition, thence following the south line of said Lot 1, Block 15, S86°42'09"E 176.50 feet; thence S 72°22'07"W 50.73 feet; thence N86°40'52"W 129.04 feet to a point on the East Right of way of NE Filmore Street; thence along said Right of way, N03°01'20"E 18.07 feet to the point of beginning containing 2,765 square feet or 0.063 Acres.

Section 2: A copy of this Ordinance, duly certified by the City Clerk, shall be filed in the Office of the Recorder of Benton County, Arkansas, and recorded in the deed records of the County.

Section 3: This Ordinance shall take effect and be in force from and after its passage. The above and foregoing Ordinance was passed, approved, and adopted the _____ day of _____, 2020, at a regular meeting of the City Council of the City of Bentonville, Arkansas.

City Clerk

STEPHANIE ORMAN, Mayor
City of Bentonville, Arkansas



CHECK ALL THAT APPLY		
	Bid Award	Bid #
	Budget Adjustment	
	Change Order	
X	Informational	
	Ordinance	
	Resolution	
	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Jessica Thurman

Department

Accounting

Phone

418-8649

ACTION REQUIRED:

Submission of the annual audit to City Council. No action is required.
According to page 2 (Independent Audit Report section) of the Audit Report/CAFR, BKD, LLC has issued this report with the following statement: In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bentonville, Arkansas, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

COST TO CITY:

Cost of this Request:

Additional Budget Amount

☐ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

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PLEASE RECYCLE



The Honorable Mayor, Members of the City Council,
and Management
City of Bentonville, Arkansas
Bentonville, Arkansas

As part of our audit of the financial statements of the City of Bentonville (the City) as of and for the year ended December 31, 2019, we wish to communicate the following to you.

AUDIT SCOPE AND RESULTS

Auditor's Responsibility Under Auditing Standards Generally Accepted in the United States of America and the Standards Applicable to Financial Audits Contained in Government Auditing Standards Issued by the Comptroller General of the United States

An audit performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States is designed to obtain reasonable, rather than absolute, assurance about the financial statements. In performing auditing procedures, we establish scopes of audit tests in relation to the financial statements taken as a whole. Our engagement does not include a detailed audit of every transaction. Our engagement letter more specifically describes our responsibilities.

These standards require communication of significant matters related to the financial statement audit that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Such matters are communicated in the remainder of this letter or have previously been communicated during other phases of the audit. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.

An audit of the financial statements does not relieve management or those charged with governance of their responsibilities. Our engagement letter more specifically describes your responsibilities.

Qualitative Aspects of Significant Accounting Policies and Practices

Significant Accounting Policies

The City's significant accounting policies are described in *Note 1* of the audited financial statements.

The Honorable Mayor, Members of the City Council,
and Management
City of Bentonville, Arkansas
Page 2

Alternative Accounting Treatments

No matters are reportable.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. The following areas involve significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates:

- Allowance for uncollectible accounts
- Depreciation of capital assets
- Pension assets/obligations
- Other postemployment benefits

Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Pension disclosures
- Other postemployment benefits disclosures

Audit Adjustments

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments which, in its judgment, are required to prevent the financial statements from being materially misstated. A misstatement is a difference between the amount, classification, presentation or disclosure of a reported financial statement item and that which is required for the item to be presented fairly in accordance with the applicable financial reporting framework.

Areas in which adjustments were proposed include:

- Accrued expenses
- Revenues, expenses and interfund transfers

The Honorable Mayor, Members of the City Council,
and Management
City of Bentonville, Arkansas
Page 3

Auditor's Judgments About the Quality of the Entity's Accounting Principles

No matters are reportable.

Other Material Communications

Listed below are other material communications between management and us related to the audit:

- Management representation letter (attached)
- We orally communicated to management other deficiencies in internal control identified during our audit that are not considered material weakness or significant deficiencies.

FUTURE ACCOUNTING PRONOUNCEMENTS

New Applicable GASB Standards

The GASB issued the following pronouncements, which will be effective in future years:

- GASB Statement No. 84, *Fiduciary Activities*, provides for greater consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities.
- GASB Statement No. 85, *Omnibus 2017*, addresses practice issues that have been identified during implementation and application of certain GASB standards and addresses a variety of topics, including issues related to blending component units, goodwill, fair value measurement and postemployment benefits.
- GASB Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. The City does not currently have any in-substance defeasance of debt issues and, therefore, does not believe that this statement will have any potential impact on the financial statements.

The Honorable Mayor, Members of the City Council,
and Management
City of Bentonville, Arkansas
Page 4

- GASB Statement No. 87, *Leases*, will recognize lease assets and liabilities on their balance sheet for all leases with terms of more than 12 months. Lessees and lessors would be required to provide additional qualitative and quantitative disclosures to help financial statement users assess the amount, timing, and uncertainty of cash flows arising from leases.
- GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, improves the disclosures in notes to government financial statements related to debt, including direct borrowing and direct placements. This Statement requires additional essential information related to debt be disclosed in notes to financial statements, including lines of credit, assets pledged as collateral and terms specified in debt agreements related to significant events of default with finance-related consequences.
- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period.
- GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations and related note disclosures.

This communication is intended solely for the information and use of management, and the City Council and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

Rogers, Arkansas
June 16, 2020

Enclosures



June 16, 2020

BKD, LLP
Certified Public Accountants
809 S 52nd Street, Suite A
P.O. Box 1893
Rogers, AR 72757-1893

We are providing this letter in connection with your audit of our financial statements as of and for the year ended December 31, 2019. We confirm that we are responsible for the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, operations and compliance, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, the following:

1. We have fulfilled our responsibilities, as set out in the terms of our engagement letter dated February 14, 2020, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

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4. We have provided you with:
 - (a) Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters.
 - (b) Additional information that you have requested from us for the purpose of the audit.
 - (c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - (d) All minutes of meetings of the governing body held through the date of this letter;
 - (e) All significant contracts and grants.
5. All transactions have been recorded in the accounting records and are reflected in the financial statements.
6. We have informed you of all current risks of a material amount that are not adequately prevented or detected by entity procedures with respect to:
 - (a) Misappropriation of assets.
 - (b) Misrepresented or misstated assets, deferred outflows of resources, liabilities, deferred inflows of resources or net position/fund balance.
7. We have no knowledge of any known or suspected:
 - (a) Fraudulent financial reporting or misappropriation of assets involving management or employees who have significant roles in internal control.
 - (b) Fraudulent financial reporting or misappropriation of assets involving others that could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, customers, regulators, suppliers or others.
9. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

10. We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America. We understand that the term related party refers to an affiliate; management, and members of their immediate families, component units; and any other party with which the entity may deal if it can significantly influence, or be influenced by, the management or operating policies of the other. The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with us.
11. Except as reflected in the financial statements, there are no:
 - (a) Plans or intentions that may materially affect carrying values or classifications of assets and liabilities.
 - (b) Material transactions omitted or improperly recorded in the financial statements.
 - (c) Material gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
 - (d) Events occurring subsequent to the statement of net position/balance sheet date through the date of this letter requiring adjustment or disclosure in the financial statements.
 - (e) Agreements to purchase assets previously sold.
 - (f) Restrictions on cash balances or compensating balance agreements.
 - (g) Guarantees, whether written or oral, under which the City is contingently liable.
12. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
13. We have no reason to believe the City owes any penalties or payments under the Employer Shared Responsibility Provisions of the Patient Protection and Affordable Care Act nor have we received any correspondence from the IRS or other agencies indicating such payments may be due.
14. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. The effects

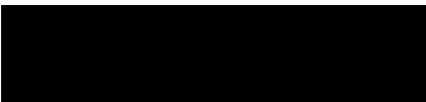
of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

15. Adequate provisions and allowances have been accrued for any material losses from:
 - (a) Uncollectible receivables.
 - (b) Reducing obsolete or excess inventories to estimated net realizable value.
 - (c) Sales commitments, including those unable to be fulfilled.
 - (d) Purchase commitments in excess of normal requirements or above prevailing market prices.
16. Except as disclosed in the financial statements, we have:
 - (a) Satisfactory title to all recorded assets, and they are not subject to any liens, pledges or other encumbrances.
 - (b) Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.
17. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.
18. We have notified you of any instances of noncompliance with applicable disclosure requirements of the SEC Rule 15c2-12 and applicable state laws.
19. With regard to deposit and investment activities:
 - (a) All deposit, repurchase and reverse repurchase agreements and investment transactions have been made in accordance with legal and contractual requirements.
 - (b) Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.
 - (c) We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.

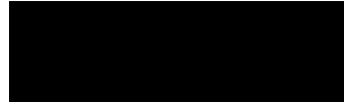
20. With respect to any nonattest services you have provided us during the year, including assistance with formatting, printing, and binding reports:
 - (a) We have designated a qualified management-level individual to be responsible and accountable for overseeing the nonattest services.
 - (b) We have established and monitored the performance of the nonattest services to ensure that they meet our objectives.
 - (c) We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.
 - (d) We have evaluated the adequacy of the services performed and any findings that resulted.
21. We acknowledge that we are responsible for compliance with applicable laws, regulations and provisions of contracts and grant agreements.
22. We have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.
23. We have identified and disclosed to you any violations or possible violations of laws, regulations and provisions of contracts and grant agreements whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.
24. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts or violations of provisions of contracts or grant agreements that you or other auditors report.
25. We have a process to track the status of audit findings and recommendations.
26. We have identified to you any previous financial audits, attestation engagements, performance audits or other studies related to the objectives of your audit and the corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements or other studies.
27. With respect to the Introductory and Statistical sections of the CAFR, due diligence has been exercised in the preparation of these sections to assure that none of the information contained therein is inconsistent with the basic financial statements.

28. The amount of federal awards expended for the year ended December 31, 2019, did not exceed \$750,000 and, therefore, an audit of compliance with the types of compliance requirements described in Uniform Guidance was not required.
29. The financial statements disclose all significant estimates and material concentrations known to us. Significant estimates are estimates at the balance sheet date which could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur which would significantly disrupt normal finances within the next year. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
30. The fair values of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto are reasonable estimates based on the methods and assumptions used. The methods and significant assumptions used result in measurements of fair value appropriate for financial statement recognition and disclosure purposes and have been applied consistently from period to period, taking into account any changes in circumstances. The significant assumptions appropriately reflect market participant assumptions.
31. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, budgetary comparisons, pension and other postemployment benefit information, has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.
32. With regard to supplementary information:
 - (a) We acknowledge our responsibility for the presentation of the supplementary information in accordance with the applicable criteria.
 - (b) We believe the supplementary information is fairly presented, both in form and content, in accordance with the applicable criteria.
 - (c) The methods of measurement and presentation of the supplementary information are unchanged from those used in the prior period.

- (d) We believe the significant assumptions or interpretations underlying the measurement and/or presentation of the supplementary information are reasonable and appropriate.
 - (e) If the supplementary information is not presented with the audited financial statements, we acknowledge we will make the audited financial statements readily available to intended users of the supplementary information no later than the date such information and the related auditor's report are issued.
33. We acknowledge the current protracted economic volatility continues to present difficult circumstances and challenges for the governmental industry. Governmental entities are facing declines in the fair values of investments and other assets, declines in the volume of business, constraints on liquidity and difficulty obtaining financing. We understand the values of the assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments to asset values, allowances for accounts and notes receivable, net realizable value of inventory, etc. that could negatively impact the Government's ability to meet debt covenants or maintain sufficient liquidity. We acknowledge that you have no responsibility for future changes caused by the current economic environment and the resulting impact on the Government's financial statements. Further, management and the Board are solely responsible for all aspects of managing the City, including questioning the quality and valuation of investments, inventory and other assets, reviewing allowances for uncollectible amounts and evaluating capital needs and liquidity plans.



Stephanie Orman, Mayor



Jake Harper, Finance Director



Jessica Thurman, Assistant Finance Director



June 16, 2020

BKD, LLP
Certified Public Accountants
809 S. 52nd Street
Rogers, Arkansas 72756

We are providing this letter in connection with your examination of our written assertions regarding compliance with Certain State Acts for the City of Bentonville, Arkansas for the year ended December 31, 2019.

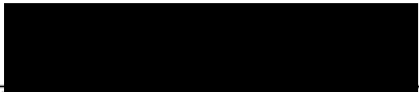
We confirm, to the best of our knowledge and belief, the following:

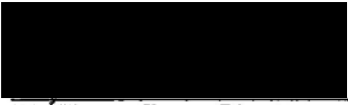
1. We make the following assertions that the City complied with the requirements for the year ended December 31, 2019.
 - a. Arkansas Municipal Accounting Law of 1973, § 14-59-101 et seq.;
 - b. Arkansas District Courts and City Courts Accounting Law, § 16-10-210 et seq.;
 - c. Improvement contracts, §§ 22-9-202 – 22-9-204;
 - d. Budgets, purchases, and payments of claims, etc., § 14-58-201 et seq. and 14-58-301 et seq.;
 - e. Investment of public funds, § 19-1-501 et seq.; and
 - f. Deposit of public funds, §§ 19-8-101 – 19-8-107.
2. All relevant matters are reflected in the measurement or evaluation of the subject matter or assertion.
3. All known matters contradicting the subject matter or assertion and any communication from regulatory agencies or others affecting the subject matter or assertion have been disclosed to you, including any communications received between the end of the period addressed in the written assertion and the date of your report.

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4. We are responsible for the subject matter and the assertions.
5. We are responsible for the selection of suitable criteria and determining that such criteria are appropriate for our purposes.
6. We have provided you with all relevant information and access.
7. We have disclosed to you all known matters that would materially affect the subject matter of the assertions.
8. We have disclosed to you all known events subsequent to the period of the subject matter being reported on that would have a material effect on the subject matter or assertion.
9. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
10. We have no knowledge of any known or suspected:
 - (a) Fraudulent financial reporting or misappropriation of assets involving management or employees who have significant roles in internal control.
 - (b) Fraudulent financial reporting or misappropriation of assets involving other employees that could have a material effect on the subject matter.
11. We have no knowledge of any allegations of fraud or suspected fraud affecting the subject matter received in communications from employees, customers, regulators, suppliers or others.
12. We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations affecting the subject matter.
13. We have disclosed to you all deficiencies in internal control relevant to the subject matter of which we are aware.
14. With respect to any nonattest services you have provided us during the year:
 - (a) We have designated a qualified management-level individual to be responsible and accountable for overseeing the nonattest services.
 - (b) We have established and monitored the performance of the nonattest services to ensure that they meet our objectives.
 - (c) We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.

- (d) We have evaluated the adequacy of the services performed and any findings that resulted.
- 15. We have responded fully and truthfully to all your inquiries.
- 16. We are responsible for establishing and maintaining effective internal control over compliance.
- 17. We have performed an evaluation of compliance with the specified requirements.


Jessica Thurman, Assistant Finance Director


Jake Harper, Finance Director

City of Bentonville, Arkansas

Comprehensive Annual Financial Report

For the Year Ended December 31, 2019



Prepared by:
Jake Harper
Finance Director

Jessica Thurman
Assistant Finance Director

Visit our web site at: www.bentonvillear.com

City of Bentonville, Arkansas

December 31, 2019

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City of Bentonville, Arkansas

December 31, 2019

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December 31, 2019

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Introductory Section

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City of Bentonville, Arkansas
Finance and Accounting Department
117 West Central Avenue – Bentonville, Arkansas 72712
Phone (479)-271-3100 – Fax (479) 271-5913

To the Citizens of the City of Bentonville, Honorable Mayor and Members of the City Council:

The Comprehensive Annual Financial Report (CAFR) of the City of Bentonville, Arkansas (the City) for the year ended December 31, 2019, is submitted in accordance with State statutes. These statutes require that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements.

This report consists of management's representations concerning the finances of the City of Bentonville. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable assurance, rather than absolute, that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Bentonville's financial statements have been audited by **BKD, LLP**, a firm of licensed independent certified public accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions on the financial statements of the governmental activities, business-type activities, discretely presented component unit, each major fund and aggregate remaining fund information that collectively comprise the City of Bentonville's basic financial statements as of and for the fiscal year ended December 31, 2019. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative overview and analysis of the basic financial statements. It is our intention that the MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Bentonville was incorporated in 1837 and is located in the northwest corner of the State of Arkansas. The City currently occupies a land area of approximately 31.5 square miles. The City's population estimate is 54,909 as of July 1, 2019, according to the U.S. Census Bureau. It is estimated that it could grow to as large as 65,000 by the year 2025 according to a University of Arkansas population study.

The City is empowered to levy property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically, when deemed appropriate by the City Council.

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The City of Bentonville is operated under the Mayor-Council form of government. The Mayor is elected by the Citizens of Bentonville to a four year term. The Mayor serves as the chief executive of the city, presides over City Council meetings and has the ability to vote on City Council items in the event of a tie. The City Council is made up of two members from each ward (eight total members) within the City and are elected for four year terms. The City Council has the ability to enact laws (ordinances) for the health, safety and welfare of the city not in conflict with the United States constitution or the constitution of the State of Arkansas. The legal level of budgetary control is maintained at the fund level for all funds. However, management control is maintained at the department level.

The City of Bentonville provides a full range of services including police, fire, emergency ambulance service, library, parks, recreation, water, sewer, electric, traffic engineering, streets and infrastructure, community development (planning and zoning), economic development and general administrative services.

The financial reporting entity (the government) includes all funds of the primary government.

Factors Affecting Financial Condition

Local Economy. The City of Bentonville historically benefits from low unemployment rates. There are several major industries in the City, with Wal-Mart and Sam's Club headquarters in Bentonville. The City is also home to Northwest Arkansas Community College. These employers draw their workforce from a population of more than 530,000 within the Fayetteville-Springdale-Rogers MSA (metropolitan statistical area) of which Bentonville is a part. Other major employers also located in the Fayetteville-Springdale-Rogers MSA include Tyson's Foods, J.B. Hunt Transport, and the University of Arkansas.

Relevant Financial Policies

The City's accounting records for general government activities are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's electric, water and sewer utility and other proprietary activities are maintained on an accrual basis.

The annual budget serves as the foundation for the City of Bentonville, Arkansas' financial planning and control. The annual budget for the following year is prepared each year by the Mayor and Department Heads and is submitted to City Council for review and approval before the end of the current year. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Long-term financial

During the annual budgeting process, the City evaluates long-term capital requirements and projected conditions in the local economy. The City is constantly monitoring the current economic conditions and will adjust the annual budget accordingly.

Awards and Acknowledgements

Awards: The Government Finance Officers Association (GFOA) awarded a Distinguished Budget Presentation Award to the City of Bentonville, Arkansas for its budget document prepared for the budget year ended December 31, 2019. The City of Bentonville has earned this award for 21 consecutive years.

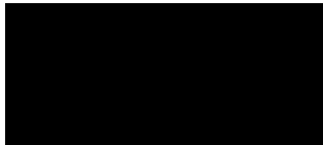
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The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bentonville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2018. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one (1)-year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements: This report and the information contained therein would not have been possible without the help of all the departments within the City of Bentonville that provided information presented. We would also like to express our appreciation to the Mayor and City Council for their interest and support in the responsible planning and conducting of the financial operations of the City.

Respectfully submitted,



Jake Harper
Finance Director

June 16, 2020



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Bentonville
Arkansas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018


Executive Director/CEO

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City of Bentonville Organizational Chart



**City of Bentonville, Arkansas
City Council and Other Elected Officials**

**Stephanie Orman
Mayor**

Name	Ward	Position
Tim Robinson	1	1
Chad Goss	1	2
Cindy Acree	2	1
Chris Sooter	2	2
Aubrey Patterson	3	1
Bill Burckart	3	2
Octavio Sanchez	4	1
Jon Terlouw	4	2
George Spence, City Attorney		
Linda Spence, City Clerk		

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Financial Section

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Independent Auditor's Report

The Honorable Mayor and Members of the City Council
City of Bentonville, Arkansas
Bentonville, Arkansas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bentonville, Arkansas, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bentonville, Arkansas, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison, pension and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules and introductory section and statistical tables as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statement is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statement is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and the statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

The Honorable Mayor and Members of the City Council
City of Bentonville, Arkansas
Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated June 16, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Rogers, Arkansas
June 16, 2020

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

As management of the City of Bentonville (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2019. The information contained in this MD&A should be considered in conjunction with our letter of transmittal at the front of this report and the information contained in the Independent Auditor's Reports, Financial Statements and Supplementary Information.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$553,781,266.
- As of the close of the current fiscal year, the City of Bentonville's governmental funds reported combined ending fund balances of \$100,885,783 of which \$57,991,185 was unassigned.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$57,991,185, which is 106% of total general fund expenditures.
- The City's total bond related debt decreased by \$14,044,728 or 23% during 2019 primarily due to principal payments on existing debt.
- The City had general revenues of \$67,434,829, grants and contribution revenue of \$8,143,676, charges for services of \$116,345,160 and program expenses of \$155,930,429 for the year ended December 31, 2019.
- The City's capital outlays for the year, including outlays in the enterprise fund, were \$26,477,093.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The *statement of net position* presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements are divided into two categories, governmental and business-type activities. The governmental activities of the City include General Government, Administrative Services, Police, Fire, Public Works, Community Development, Library and Parks. The business-type activities of the City include Electric, Water, Wastewater, Sanitation, and related support departments which comprise the Utility Fund.

The government-wide financial statements can be found on pages 13-14 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources which have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the street fund, the capital projects fund and the debt service fund, which are considered to be major funds. Data from the other two governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

The basic governmental fund financial statements can be found on pages 15-16 of this report.

Proprietary Funds

The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, wastewater and sanitation operations.

Proprietary funds, in general, charge customers for services provided. Like the government-wide financial statements, proprietary fund financial statements are presented using a long-term financial accounting approach and the full accrual basis of accounting. Additional information is provided in the proprietary funds' statement of cash flows.

The basic proprietary fund financial statements can be found on pages 17-19 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-57 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment benefits (OPEB) to its employees. Required supplementary information can be found on pages 58-68 of this report.

The combining schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 69-73 of this report.

GOVERNMENT-WIDE ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$553,781,266 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (82%) is its investment in capital assets (*e.g.*, land, buildings, machinery, and equipment); less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending.

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 121,175,808	\$ 114,854,657	\$ 59,742,906	\$ 51,691,527	\$ 180,918,714	\$ 166,546,184
Capital assets	270,754,848	259,746,630	208,708,294	205,466,566	479,463,142	465,213,196
Total assets	391,930,656	374,601,287	268,451,200	257,158,093	660,381,856	631,759,380
Total deferred outflows of resources	15,034,020	11,673,374	2,122,890	2,330,371	17,156,910	14,003,745
Long-term liabilities	78,537,719	81,838,291	17,206,766	16,570,637	95,744,485	98,408,928
Other liabilities	17,879,195	16,574,849	8,510,375	10,083,077	26,389,570	26,657,926
Total liabilities	96,416,914	98,413,140	25,717,141	26,653,714	122,134,055	125,066,854
Total deferred inflows of resources	1,116,339	2,037,285	507,106	870,956	1,623,445	2,908,241
Net position:						
Net investment in capital assets	252,689,293	232,185,202	202,310,382	196,638,875	454,999,675	428,824,077
Restricted	21,881,884	20,794,051	2,100,656	2,903,653	23,982,540	23,697,704
Unrestricted	34,860,246	32,844,983	39,938,805	32,421,266	74,799,051	65,266,249
Total net position	\$ 309,431,423	\$ 285,824,236	\$ 244,349,843	\$ 231,963,794	\$ 553,781,266	\$ 517,788,030

An additional portion of the City's net position (4.33%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$74,799,051 may be used to meet the City's ongoing obligations to citizens and creditors.

During the current fiscal year, total net position of the City increased by \$35,993,236. The changes in net position are shown in detail on the following page. The increase in net position primarily resulted in an increase in capital assets net of accumulated depreciation of \$14,249,946 and payments on long-term debt of \$13,941,287. The major capital asset events contributing to this increase are discussed in the *Capital Assets* section of this document. Restricted net position increased by \$284,836 primarily due to an increase in funds set aside for new growth.

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 14,615,432	\$ 10,806,101	\$ 101,729,728	\$ 99,925,335	\$ 116,345,160	\$ 110,731,436
Operating grants and contributions	660,682	3,369,266	-	150,122	660,682	3,519,388
Capital grants and contributions	5,050,131	5,513,785	2,432,863	3,150,912	7,482,994	8,664,697
General revenues:						
Property taxes	9,417,015	8,945,939	-	-	9,417,015	8,945,939
Sales taxes	39,654,947	35,758,719	-	-	39,654,947	35,758,719
State Turnback	3,041,751	2,941,195	-	-	3,041,751	2,941,195
Franchise fees	5,368,133	5,653,246	-	-	5,368,133	5,653,246
Investment income	1,178,951	820,608	289,274	133,581	1,468,225	954,189
Gain (loss) on sale of capital assets	3,769,638	39,540	24,061	-	3,793,699	39,540
Other	4,570,586	2,724,433	120,473	813,873	4,691,059	3,538,306
Total revenues	87,327,266	76,572,832	104,596,399	104,173,823	191,923,665	180,746,655
Expenses:						
General government	11,262,376	8,199,550	-	-	11,262,376	8,199,550
Public safety	27,161,452	24,926,207	-	-	27,161,452	24,926,207
Recreation	11,908,261	10,579,540	-	-	11,908,261	10,579,540
Street department	9,571,784	8,880,453	-	-	9,571,784	8,880,453
Library	1,887,076	1,765,524	-	-	1,887,076	1,765,524
CDBG	-	184	-	-	-	184
Interest expense on long-term debt	1,929,130	2,297,161	-	-	1,929,130	2,297,161
Electric	-	-	60,093,455	59,685,788	60,093,455	59,685,788
Water	-	-	13,871,208	13,511,887	13,871,208	13,511,887
Wastewater	-	-	9,615,262	9,372,920	9,615,262	9,372,920
Sanitation	-	-	5,109,186	4,624,380	5,109,186	4,624,380
Support	-	-	3,521,239	3,456,000	3,521,239	3,456,000
Total expenses:	63,720,079	56,648,619	92,210,350	90,650,975	155,930,429	147,299,594
Increase in net position before transfers and special items	23,607,187	19,924,213	12,386,049	13,522,848	35,993,236	33,447,061
Transfers	-	(121,350)	-	121,350	-	-
Increase in net position	23,607,187	19,802,863	12,386,049	13,644,198	35,993,236	33,447,061
Net position – beginning of the year	285,824,236	268,841,989	231,963,794	218,949,470	517,788,030	487,791,459
Adjustment for adoption of GASB 75	-	(2,820,616)	-	(629,874)	-	(3,450,490)
Net position – beginning of the year, as restated*	285,824,236	266,021,373	231,963,794	218,319,596	517,788,030	484,340,969
Net position – end of the year	\$ 309,431,423	\$ 285,824,236	\$ 244,349,843	\$ 231,963,794	\$ 553,781,266	\$ 517,788,030

*The cumulative effect of applying GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* resulted in the beginning net position for 2018 being restated.

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

Governmental Activities

Governmental activities increased the City's net position by \$23,607,187, thereby accounting for 66% of the total growth in the net position of the City. The 2019 increase is \$3.8 million more than in 2018 primarily due to a \$3.7 million gain on the sale of the City Hall building.

Business-type Activities

Business-type activities increased the City's net position by \$12,386,049, accounting for 34% of the total growth in the City's net position. The 2019 increase is \$1.26 million less than the increase experienced in 2018 primarily due to a general increase in expenses of \$1.6 million (driven by the overall economic growth in the Northwest Arkansas area) that was offset by a general increase of revenue of \$423,000.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

General Fund

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$57,991,185, while total fund balances reached \$60,537,322. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balances and total fund balances to total fund expenditures. Unassigned fund balances represent 106% of total general fund expenditures, while total fund balances represent 110% of that same amount.

The fund balances of the City's general fund increased \$6,047,056 during the current fiscal year, which was an increase of \$205,466 over the increase experienced in 2018. Overall revenues increased by \$3,506,511 with \$2,576,585 of that increase being attributed to an increase in sales tax revenue. Overall expenses increased by \$9,166,658 with \$5,913,301 of that increase attributed to capital outlay.

Street Fund

The City's street fund had a total fund balance of \$5,440,789 of which all is assigned and available to fund street capital and maintenance projects. The net increase in fund balance during the current year in the street fund was \$2,052,568. The street fund's fund balance increase is primarily due to a decrease in capital outlay expenses of \$3,196,800 coupled with a \$1,316,974 increase in transfers related to a bond repayment of street fund expenditures paid out of street budget funds in prior years and offset by a \$1,847,078 decrease in grants and contributions revenue.

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

Capital Project Fund

The City's capital project fund had a total fund balance of \$21,530,144 all of which is restricted and available to fund capital projects that meet the requirements of the Series 2007 Sales and Use Tax Bonds, the Series 2009 Sales and Use Tax Bonds, the Series 2010 Sales and Use Tax Bonds, and the Series 2017 Sales and Use Tax Bonds. The net decrease in fund balance during the current year in the capital project fund was \$2,119,078, and is the result of spending \$1,236,911 of bond proceeds on capital improvements combined with a payment of \$1,316,974 from bond proceeds to reimburse the street fund for prior year capital improvement expenditures.

Debt Service Fund

The City's debt service fund had a total fund balance of \$7,399,511, which is restricted for debt service. The net decrease in fund balance during the current year in the fund was \$886,162. Debt service's fund balance decrease is primarily due to debt service expenditures exceeding sales tax revenues.

Proprietary Funds

Enterprise Fund

Unrestricted net position of the enterprise fund at the end of the year was \$39,938,805. The total growth in net position of the enterprise fund was \$12,386,049. Operating revenues of the enterprise fund increased 0.91% to \$101,850,203 and the operating expenses increased 2% to \$91,906,922. Other factors concerning the finances of the enterprise fund have already been discussed in the City's business-type activities.

General Fund Budgetary Highlights

Original Budget as Compared to the Final Budget

During the 2019 fiscal year, the original budget of the general fund was amended primarily to budget for more capital projects and other costs or revenues not previously in the budget. The most significant amendment was a budget rollforward from 2018 for a \$936,000 grant for further construction of the Greenway project. The corresponding amendment for expenditure was a \$1,921,402 budget rollforward from 2018 for the Greenway project.

Actual Results as Compared to the Final Budget

Variances between the actual revenues and expenditures and the general fund's final budget were fairly significant. The final amended budget projected a \$17,024,271 decrease in general fund balance while the actual resulted in a fund balance increase of \$6,047,056. The prime factors in the variances can be briefly summarized as follows:

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

- *Property tax* revenue was \$6,844,685, while the final budgeted amount was \$5,964,178. The excess revenues over the budget (\$880,507) can be attributed to a general improvement in the local economy in 2019 compared to 2018 and an increase in assessed values of \$65,063,345 or 5.00%
- *Sales tax* revenue was \$27,274,611, while the final budgeted amount was \$22,579,565. The increase in revenues over the budget (\$4,695,046) can be attributed to a general increase in retail sales tax from various projects in the City and the County and general improvement in economic conditions.
- *Licenses and permits* revenue was \$1,805,505, while the final budgeted amount was \$1,237,960. The increase in revenues over the budget (\$567,545) can be attributed to a general increase in permits attributed to an increase in building permits and activity.
- *Grants* revenue was \$2,119,622, while the final budgeted amount was \$2,492,437. The decrease in revenues over the budget (\$372,815) can be attributed to grants that were budgeted in 2019 but were not received for the year.
- *Capital outlay* expenditure was \$14,368,961, while the final budgeted amount was \$26,537,022. The decrease in expenditures over the budget (\$12,168,061) can be attributed to various budgeted capital outlay projects that were not completed during 2019 due to time constraints or planned multi-year projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2019, the City's investment in capital assets for its governmental and business-type activities was \$479,463,142 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and streets.

Major capital asset events during the current fiscal year include the following:

- Capital expenditures of \$5.1 million were made for a variety of street construction projects in new residential developments and widening and expansion projects for existing streets. In addition, \$4.9 million of streets, drainage and sidewalks constructed by developers were contributed to the City to own and maintain.
- Capital expenditures of \$1.6 million were made for a variety of park improvement projects.
- Capital expenditures for additions and improvements for the City's water system, sewer system and electric system were \$5.1 million. In addition, \$2.4 million in electric, water and sewer lines were contributed by developers to the City.
- Capital expenditures for furniture, fixtures and equipment and vehicles city wide totaled \$7.7 million due to replacement and additional equipment needs throughout the city.

Additional information regarding capital assets can be found on pages 32-34 of this report.

City of Bentonville, Arkansas
Management's Discussion and Analysis
December 31, 2019

Long-term Debt

The City had \$45,993,611 in revenue bonds and notes payable outstanding as of December 31, 2019, which is a decrease of \$14,044,728 from the previous year. The decrease was due to regularly scheduled principal reductions on the outstanding debt. The revenue bonds of the Electric, Water, and Sewer Systems have been rated "AAA" by Moody's Investor Service.

Additional information regarding long-term debt can be found at pages 35-39 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the metropolitan area of Northwest Arkansas (of which Bentonville is a part) is currently 2.30%. This compares favorably to the state's average unemployment rate of 3.5% and the national average rate of 3.5%.
- The City's population growth has averaged about 7% annually and according to the most recent census the population is 35,301. Impact and capacity fees, an additional one cent sales tax for capital improvements and slight increases in utility rates are in place to meet the financial demands caused by this population growth.
- The value of building permits issued, excluding public buildings, was approximately \$496 million in 2018 and \$454 million in 2019.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Administration; 117 W. Central Avenue; Bentonville, Arkansas 72712.

Basic Financial Statements

City of Bentonville, Arkansas

Statement of Net Position

December 31, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 31,796,326	\$ 25,103,255	\$ 56,899,581
Certificates of deposit	25,000,000	18,500,000	43,500,000
Restricted cash and cash equivalents	26,393,733	1,617,700	28,011,433
Receivable			
Customer accounts, net of allowance for uncollectible accounts of \$317,000	-	9,522,921	9,522,921
Property taxes, net of allowance for uncollectibles of \$449,827	8,546,712	-	8,546,712
Grants and other	2,779,937	326,596	3,106,533
Internal balances	(2,736)	2,736	-
Inventories	-	4,113,601	4,113,601
Prepaid items	259,665	67,852	327,517
Total current assets	94,773,637	59,254,661	154,028,298
Noncurrent Assets			
Restricted assets			
Cash and cash equivalents	22,122,642	488,245	22,610,887
Sales taxes receivable	3,072,840	-	3,072,840
Total restricted assets	25,195,482	488,245	25,683,727
Net pension asset	1,206,689	-	1,206,689
Capital assets - non-depreciable	9,405,000	8,227,473	17,632,473
Capital assets - depreciable, net	261,349,848	200,480,821	461,830,669
	271,961,537	208,708,294	480,669,831
Total noncurrent and other assets	297,157,019	209,196,539	506,353,558
Total assets	391,930,656	268,451,200	660,381,856
Deferred Outflows of Resources			
Deferred outflows - pensions	11,078,623	1,399,737	12,478,360
Deferred outflows - OPEB	699,819	135,475	835,294
Deferred outflows - pension contributions	3,255,578	587,678	3,843,256
Total deferred outflows of resources	15,034,020	2,122,890	17,156,910

See Notes to Financial Statements

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Liabilities			
Current Liabilities			
Accounts payable	\$ 2,326,663	\$ 6,221,348	\$ 8,548,011
Accrued expenses and other	856,036	178,668	1,034,704
Accrued interest payable	430,401	5,289	435,690
Compensated absences - current portion	191,566	737,965	929,531
Due to other governments	192,462	245,423	437,885
Bonds payable - current portion	6,605,000	1,036,555	7,641,555
Other postemployment benefit liability - current portion	115,604	22,168	137,772
Unearned revenues	7,161,463	62,959	7,224,422
Total current liabilities	17,879,195	8,510,375	26,389,570
Noncurrent Liabilities			
Customer deposits	-	1,262,678	1,262,678
Compensated absences	1,457,763	10,337	1,468,100
Other postemployment benefit liability	5,272,467	1,062,511	6,334,978
Net pension liability	38,816,790	9,509,883	48,326,673
Bonds payable, net	32,990,699	5,361,357	38,352,056
Total noncurrent liabilities	78,537,719	17,206,766	95,744,485
Total liabilities	96,416,914	25,717,141	122,134,055
Deferred Inflows of Resources			
Deferred inflows - OPEB	266,651	54,664	321,315
Deferred inflows - pensions	849,688	452,442	1,302,130
Total deferred inflows of resources	1,116,339	507,106	1,623,445
Net Position			
Net investment in capital assets	252,689,293	202,310,382	454,999,675
Restricted			
Debt service	6,969,111	482,956	7,452,067
New growth	5,978,017	-	5,978,017
Renewals and replacements	-	1,617,700	1,617,700
Capital improvements	2,202,079	-	2,202,079
Street improvements	5,440,147	-	5,440,147
Pensions	1,206,689	-	1,206,689
Other	85,841	-	85,841
Total restricted	21,881,884	2,100,656	23,982,540
Unrestricted	34,860,246	39,938,805	74,799,051
Total net position	\$ 309,431,423	\$ 244,349,843	\$ 553,781,266

City of Bentonville, Arkansas

Statement of Activities

Year Ended December 31, 2019

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Government/Programs:							
Primary Government:							
Governmental activities:							
General government	\$ 11,262,376	\$ 3,232,206	\$ 99,277	\$ 29,375	\$ (7,901,518)	\$ -	\$ (7,901,518)
Public safety	27,161,452	2,762,512	-	2,500	(24,396,440)	-	(24,396,440)
Recreation	11,908,261	5,781,222	-	39,768	(6,087,271)	-	(6,087,271)
Street department	9,571,784	2,779,600	542,505	4,955,457	(1,294,222)	-	(1,294,222)
Library	1,887,076	59,892	18,900	23,031	(1,785,253)	-	(1,785,253)
Interest expense on long-term debt	1,929,130	-	-	-	(1,929,130)	-	(1,929,130)
Total governmental activities	63,720,079	14,615,432	660,682	5,050,131	(43,393,834)	-	(43,393,834)
Business-type Activities:							
Electric	60,093,455	70,130,577	-	346,907	-	10,384,029	10,384,029
Water	13,871,208	11,074,498	-	2,085,956	-	(710,754)	(710,754)
Wastewater	9,615,262	14,493,682	-	-	-	4,878,420	4,878,420
Sanitation	5,109,186	5,397,459	-	-	-	288,273	288,273
Support	3,521,239	633,512	-	-	-	(2,887,727)	(2,887,727)
Total business-type activities	92,210,350	101,729,728	-	2,432,863	-	11,952,241	11,952,241
Total primary government	\$ 155,930,429	\$ 116,345,160	\$ 660,682	\$ 7,482,994	(43,393,834)	11,952,241	(31,441,593)
General Revenues:							
Property taxes					9,417,015	-	9,417,015
Sales taxes					39,654,947	-	39,654,947
State turnback					3,041,751	-	3,041,751
Franchise taxes					5,368,133	-	5,368,133
Investment income					1,178,951	289,274	1,468,225
Gain (loss) on sales of capital assets					3,769,638	24,061	3,793,699
Other					4,570,586	120,473	4,691,059
Total general revenues					67,001,021	433,808	67,434,829
Change in net position					23,607,187	12,386,049	35,993,236
Net position, beginning of year					285,824,236	231,963,794	517,788,030
Net position, end of year					\$ 309,431,423	\$ 244,349,843	\$ 553,781,266

See Notes to Financial Statements

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City of Bentonville, Arkansas
Balance Sheet – Governmental Funds
December 31, 2019

	General	Street	Capital Project	Debt Service	Nonmajor Government al Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 31,796,326	\$ -	\$ -	\$ -	\$ -	\$ 31,796,326
Certificates of deposit	25,000,000	-	-	-	-	25,000,000
Accounts receivable:						
Property taxes, net of allowance for uncollectible accounts of \$449,827	6,541,420	2,005,292	-	-	-	8,546,712
Grants and other	922,186	1,849,811	-	-	7,940	2,779,937
Due from other funds	-	9,350	-	-	-	9,350
Prepaid and other	259,023	642	-	-	-	259,665
Restricted assets						
Cash and cash equivalents	5,816,039	8,344,330	21,615,792	6,460,989	6,279,225	48,516,375
Sales tax receivable	2,134,318	-	-	938,522	-	3,072,840
Total assets	\$ 72,469,312	\$12,209,425	\$ 21,615,792	\$ 7,399,511	\$ 6,287,165	\$ 119,981,205
Liabilities						
Accounts payable	\$ 1,459,846	\$ 664,543	\$ 85,648	\$ -	\$ 116,686	\$ 2,326,723
Due to other funds	12,086	-	-	-	-	12,086
Due to other governments	-	-	-	-	192,462	192,462
Accrued expenditures and other	828,235	27,741	-	-	-	855,976
Unearned revenues	3,090,403	4,071,060	-	-	-	7,161,463
Total liabilities	5,390,570	4,763,344	85,648	-	309,148	10,548,710
Deferred Inflows of Resources						
Unavailable revenues - property taxes	6,541,420	2,005,292	-	-	-	8,546,712
Fund balances						
Nonspendable						
Prepaid expenditures	259,023	642	-	-	-	259,665
Restricted						
Debt service	-	-	-	7,399,511	-	7,399,511
General capital improvements	2,202,079	-	21,530,144	-	-	23,732,223
New growth	-	-	-	-	5,978,017	5,978,017
Street improvements	-	5,440,147	-	-	-	5,440,147
Other	85,035	-	-	-	-	85,035
Unassigned	57,991,185	-	-	-	-	57,991,185
Total fund balances	60,537,322	5,440,789	21,530,144	7,399,511	5,978,017	100,885,783
Total liabilities, deferred inflows of resources, and fund balances	\$ 72,469,312	\$12,209,425	\$ 21,615,792	\$ 7,399,511	\$ 6,287,165	\$ 119,981,205

See Notes to Financial Statements

Total fund balances - governmental funds	\$ 100,885,783
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	270,754,848
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Net pension assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	1,206,689
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Property tax revenues that do not provide current financial resources at the fund level on the modified accrual basis are reported as revenues on the full accrual basis in the government-wide statements.	8,546,712
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Deferred inflows and outflows of resources related to pensions and other postemployment benefits are not due and payable in the current period and, therefore, are not reported in the funds.	13,917,681
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Liabilities that are not due and payable in the current period and are not reported in the fund statements:

Accrued interest payable	(430,401)
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Accrued compensated absences	(1,649,329)
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Net pension liabilities	(38,816,790)
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Other postemployment benefits liability	(5,388,071)
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Bonds payable, net of premiums and discounts	<u>(39,595,699)</u>
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Total net position - governmental activities	<u>\$ 309,431,423</u>
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City of Bentonville, Arkansas
Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds
Year Ended December 31, 2019

	General	Street	Capital Project	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property tax	\$ 6,844,685	\$ 2,128,393	\$ -	\$ -	\$ -	\$ 8,973,078
Sales tax	27,274,611	-	-	12,380,336	-	39,654,947
State turnback	1,443,421	2,564,003	-	-	-	4,007,424
Impact fees	-	-	-	-	4,119,459	4,119,459
Franchise taxes	5,368,133	-	-	-	-	5,368,133
Charges for services	6,427,769	31,453	-	-	-	6,459,222
Fines and forfeitures	488,999	-	-	-	-	488,999
Licenses and permits	1,805,505	14,100	-	-	-	1,819,605
Grants	2,119,622	542,505	-	-	-	2,662,127
Contributions	265,763	15,000	-	-	-	280,763
Interest	496,128	40,363	434,807	167,632	40,021	1,178,951
Miscellaneous	1,246,796	35,405	-	-	-	1,282,201
Total revenues	53,781,432	5,371,222	434,807	12,547,968	4,159,480	76,294,909
Expenditures						
Current:						
General government	7,515,045	-	-	-	-	7,515,045
Public safety	21,730,128	-	-	-	-	21,730,128
Recreation	9,582,308	-	-	-	-	9,582,308
Street Department	-	2,520,796	-	-	-	2,520,796
Library	1,609,734	-	-	-	-	1,609,734
CDBG	-	-	-	-	-	-
Capital outlay	14,368,961	2,566,232	1,236,911	-	-	18,172,104
Debt service						
Principal	-	-	-	11,505,000	-	11,505,000
Interest	-	-	-	1,929,130	-	1,929,130
Total expenditures	54,806,176	5,087,028	1,236,911	13,434,130	-	74,564,245
Excess (Deficiency) of Revenues Over Expenditures	(1,024,744)	284,194	(802,104)	(886,162)	4,159,480	1,730,664
Other Financing Sources (Uses)						
Sale of capital assets	3,769,638	-	-	-	-	3,769,638
Transfers in	3,753,562	1,768,374	-	-	-	5,521,936
Transfers out	(451,400)	-	(1,316,974)	-	(3,753,562)	(5,521,936)
Total other financing sources (uses)	7,071,800	1,768,374	(1,316,974)	-	(3,753,562)	3,769,638
Change in Fund Balances	6,047,056	2,052,568	(2,119,078)	(886,162)	405,918	5,500,302
Fund Balances, Beginning of Year	54,490,266	3,388,221	23,649,222	8,285,673	5,572,099	95,385,481
Fund Balances, End of Year	\$ 60,537,322	\$ 5,440,789	\$ 21,530,144	\$ 7,399,511	\$ 5,978,017	\$ 100,885,783

See Notes to Financial Statements

Net change in fund balance – total governmental funds	\$ 5,500,302
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental Funds do not report capital contributions and they report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital asset purchases	17,791,778
Capital contributions	4,940,457
Capital asset disposals	(76,855)
Depreciation expense	(11,647,162)

Reductions in bond principal reported as expenditures for the funds are not reported as expenses in the statement of activities.	11,505,000
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Property tax revenues reported in the statement of activities are not available soon after year end and therefore are not considered current financial resources and are not recognized in the fund financial statements in the current year. This is the change in the amount of deferred property tax revenues reported in the governmental fund statements.	443,937
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Deferred inflows/outflows of resources related to the net pension and other postemployment benefit liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These amounts are amortized into pension expense in future periods. This is the amount by which the deferred inflows/outflows of resources changed during the current year.	4,281,592
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Expenses for pensions and other postemployment benefit liabilities reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund financial statements in the current year. This is the change in the amount of the net pension and other postemployment benefit liabilities and net pension asset reported in the governmental fund statements.	(9,167,909)
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Accrued expenses, such as compensated absences, interest, amortization of bond discounts and premiums, etc., reported in the statement of activities do not require the use of current financial resources, and, therefore, are not expenditures in the funds. This is the net change in accrued expenses.	36,047
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Change in net position of governmental activities	\$ 23,607,187
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City of Bentonville, Arkansas

Statement of Net Position –

Proprietary Funds

December 31, 2019

Assets

Business-type Activity – Enterprise Fund

Current Assets:

Cash and cash equivalents	\$ 25,103,255
Certificates of deposit	18,500,000
Accounts receivable (customer accounts), net of allowance for uncollectible accounts of \$317,000	9,849,517
Due from other funds	2,736
Restricted cash and cash equivalents	1,617,700
Inventories	4,113,601
Total current assets	59,186,809

Noncurrent Assets

Restricted cash and cash equivalents	488,245
Capital assets, net of accumulated depreciation of \$98,012,446	208,708,294
Other assets	67,852
Total noncurrent assets	209,264,391
Total assets	268,451,200

Deferred Outflows of Resources

Deferred outflows - OPEB	135,475
Deferred outflows - pensions	1,399,737
Deferred outflows - pension contributions	587,678
Total deferred outflows of resources	2,122,890

See Notes to Financial Statements

Liabilities	Business-type Activity – Enterprise Fund
Current Liabilities:	
Accounts payable	\$ 6,221,348
Accrued expenses and other	178,668
Accrued interest payable	5,289
Compensated absences	737,965
Due to other governments	245,423
Bonds payable - current portion	1,036,555
Other postemployment benefit liability - current portion	22,168
Unearned revenue	62,959
Total current liabilities	<u>8,510,375</u>
Noncurrent Liabilities	
Customer deposits	1,262,678
Compensated absences	10,337
Other postemployment benefit liability	1,062,511
Net pension liability	9,509,883
Bonds payable, net of unamortized premium and discount	5,361,357
Total noncurrent liabilities	<u>17,206,766</u>
Total liabilities	<u>25,717,141</u>
Deferred Inflows of Resources	
Deferred inflows - OPEB	54,664
Deferred inflows - pensions	452,442
Total deferred inflows of resources	<u>507,106</u>
Net Position	
Net investment in capital assets	202,310,382
Restricted	
Debt service	482,956
Renewals and replacements	1,617,700
Unrestricted	39,938,805
Total net position	<u>\$ 244,349,843</u>

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City of Bentonville, Arkansas
Statement of Revenues, Expenses and Changes in
Net Position – Proprietary Funds
Year Ended December 31, 2019

	Business-type Activity – Enterprise Fund
Operating Revenues	
Charges for services	\$ 101,690,138
Miscellaneous	<u>160,065</u>
Total operating revenues	<u>101,850,203</u>
Operating Expenses	
Salaries and fringe benefits	12,260,304
Contract purchases	62,444,500
Maintenance	1,534,129
Depreciation and amortization	7,428,437
Materials and supplies	1,659,663
Other services and charges	<u>6,579,889</u>
Total operating expenses	<u>91,906,922</u>
Operating Income	<u>9,943,281</u>
Nonoperating Income (Expenses)	
Interest income	289,274
Bond interest and fiscal agent charges	(303,430)
Gain on sale of capital assets	<u>24,061</u>
Net non-operating revenues (expenses)	<u>9,905</u>
Income Before Capital Contributions and Transfers	9,953,186
Capital Contributions	<u>2,432,863</u>
Change in Net Position	12,386,049
Net Position, Beginning of Year	<u>231,963,794</u>
Net Position, End of Year	<u>\$ 244,349,843</u>

See Notes to Financial Statements

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City of Bentonville, Arkansas
Statement of Cash Flows – Proprietary Funds
Year Ended December 31, 2019

	Business-type Activity – Enterprise Fund
Operating Activities	
Receipts from customers	\$ 100,924,044
Other receipts	160,065
Payments to suppliers	(65,528,315)
Payments to employees	(10,892,216)
Other payments	(6,584,899)
	<u>18,078,679</u>
Net cash provided by operating activities	
Capital and Related Financing Activities	
Purchase and construction of capital assets	(8,304,989)
Proceeds from sale of capital assets	98,216
Principal paid on revenue bonds	(2,436,245)
Interest and agent fees paid on revenue bonds	(308,914)
	<u>(10,951,932)</u>
Net cash used in capital and related financing activities	
Investing Activities	
Purchase of certificates of deposit	(18,500,000)
Interest income	289,274
	<u>(18,210,726)</u>
Net cash used in investing activities	
Decrease in Cash and Cash Equivalents	(11,083,979)
Cash and Cash Equivalents, Beginning of Year	<u>38,293,179</u>
Cash and Cash Equivalents, End of Year	<u>\$ 27,209,200</u>

See Notes to Financial Statements

	Business-type Activity – Enterprise Fund
Cash and Cash Equivalents of Proprietary Funds, as presented on the "Statement of Net Position - Proprietary Funds," is as follows:	
Cash and cash equivalents	\$ 25,103,255
Restricted cash and cash equivalents - current	1,617,700
Restricted cash and cash equivalents - noncurrent	<u>488,245</u>
	<u>\$ 27,209,200</u>
Reconciliation of Operating Income to to Net Cash Provided By Operating Activities	
Operating income	\$ 9,943,281
Adjustment to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization expense	7,428,437
Changes in assets and liabilities	
Receivables, net	(1,014,235)
Due to/due from other funds, net	5,302
Deferred outflows related to pensions	320,777
Deferred outflows related to OPEB	(113,296)
Other assets	(12,783)
Inventories	386,358
Accounts payable	(276,381)
Accrued expenses	97,789
Due to other governments	1,421
Deferred revenue	1,050
Other liabilities	248,141
OPEB liability	193,524
Net Pension liability	1,233,144
Deferred inflows related to OPEB	(6,462)
Deferred inflows related to pension	<u>(357,388)</u>
Net cash provided by operating activities	<u>\$ 18,078,679</u>
Noncash Investing, Capital and Financing Activities	
Capital assets acquired through contributions	<u>\$ 2,432,863</u>

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies

The City of Bentonville, Arkansas (the "City"), is a municipal corporation operating under the authority of Arkansas state statute. The City operates under an elected mayor-council form of government. Eight elected council members and the Mayor set policy of the City. The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America for state and local governments as defined by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting and reporting policies of the City:

Reporting Entity

The accompanying government-wide financial statements present the financial statements of the City of Bentonville, Arkansas.

The City's primary government consists of those funds or organizations that make up the legal entity for which it is financially responsible. Under this criteria, the following is included in the primary government reporting entity:

Jointly Governed Organization

The City is a participant with nine Northwest Arkansas cities to jointly govern Northwest Arkansas Conservation Authority (NACA), an organization whose purpose is to develop and implement cost-effective regional solutions to the challenges of providing environmentally sound wastewater and biosolids infrastructure and watershed management. NACA is governed by a Board of Directors consisting of 13 members appointed by the member cities. In order for NACA to secure financing of its wastewater treatment facility, the City entered into a service agreement with NACA in January 2006 committing the City to procuring NACA's services for 15 years or until the revenue bonds issued by NACA are retired. As of December 31, 2019, NACA has revenue bonds outstanding of \$53,464,522, with a final maturity date in December 2044. Service charges to the City are determined by rates based upon the actual costs incurred by NACA, including a proportional share of its overhead expenses attributable to the facility and debt service. During 2019, the City was NACA's primary customer and paid service charges to NACA in the amount of \$5,316,167, of which \$907,203 is payable at year end. As of December 31, 2019, NACA reported an increase in Net Position of \$1,239,516. Complete financial statements for NACA can be obtained from NACA's administrative office at 11579 Snavelly Road, Bentonville, AR 72712.

Related Organization

The City's Mayor and Council are also responsible for appointing members of the board of the Advertising and Promotions Commission, but the accountability for this organization does not extend beyond making the appointments. The financial operations of this related organization has not been included in the City's basic financial statements.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements as follows:

Government-wide Financial Statements

The government-wide financial statements report information on all of the activities of the City. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation. This elimination has taken place in the process of incorporating fund data into the government-wide financial statements, and not in the process of consolidation. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. Direct expenses are those that are clearly associated with a specific function or identifiable activity. Expenses that cannot be specifically identified to a particular function are charged to funds based on time spent for that function and are included in the functional categories. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or identifiable activity and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or identifiable activity.

Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each governmental and proprietary fund are presented. The emphasis of fund financial statements is on major governmental and major enterprise funds, each displayed in a separate column. All other governmental and enterprise funds are aggregated and reported as nonmajor funds.

The City reports the *general fund*, *street fund*, *capital project fund* and *debt service fund* as its major governmental funds. The general fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for services and interest income. The street fund accounts for gasoline and road taxes received from the state and county levies. Revenues are expended for maintenance and repair of streets and sidewalks. The capital project fund accounts for the resources accumulated from the Series 2007, 2009, 2010 and 2017 sales and use tax bonds of the City that are restricted for use in financing the costs of various capital improvement projects. The debt service fund accounts for financial resources that are restricted for principal and interest-related costs as well as the financial resources being accumulated for future debt service.

The City reports one major *enterprise fund*. It accounts for the City's combined electric, water, sewer and sanitation system, whose operations are financed primarily through user charges.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Measurement Focus and Basis of Accounting

Government-wide and Proprietary Funds

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

In proprietary funds, operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the principal ongoing operations of the fund. All revenues and expenses not meeting this definition are reported as nonoperating items.

Nonexchange transactions, in which the City receives (or gives) value without directly giving (or receiving) equal value in exchange, include property taxes; city and county sales tax; grants, entitlements and similar items; and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Revenues from property taxes are recognized in the period in which the taxes are levied. City and county sales taxes, franchise taxes, licenses and permits and fines and forfeitures are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted. Grants, entitlements, and donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as deferred revenues. Grants and similar aid to other organizations are recognized as expenses as soon as recipients have met all eligibility requirements. Amounts paid before all eligibility requirements have been met are reported as prepaid items.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and deferred outflows of resources and liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of general long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The City considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, federal funds, local funds and investment earnings. Other revenues are considered to be measurable and available only when cash is received by the City. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences and obligations for worker's compensation and other post-employment benefits which are recognized as expenditures when payment is due. Pension expenditures are recognized when amounts are due to a plan.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Cash and Cash Equivalents

The City considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2019, cash equivalents consisted primarily of money market accounts with brokers.

Investments and Investment Income

Investments in nonnegotiable certificates of deposit are carried at amortized cost. Investment income includes interest and dividend income for the year and is assigned to funds with which the related investment asset is associated.

Property Taxes

Property taxes are levied each October 1 on the assessed value listed as of January 1 for all real and personal property located in the City. The property tax is considered due the first Monday in January (the lien date) after the levy; however, the tax is not considered delinquent until October 16 of that year. As a result, the majority of the tax is not collected within the time frame necessary to finance the liabilities of the current period. Property taxes are measurable when levied even though not available. Accordingly, property taxes receivable of \$8,546,712 and related deferred inflows of resources have been recorded at December 31, 2019, in the governmental funds. Benton County is the collecting agent and remits collections to the City, net of a collection fee, on a monthly basis.

The appraised value of taxable property upon which the property tax is levied is determined by the county assessor. The assessor estimates full market value of the property and applies a statutory rate of 20 percent to arrive at assessed value.

Unbilled Revenue

The City bills customers for electric, water and sewer services after usage based upon meter readings made during the month. The City records a receivable for unbilled revenue at December 31 for estimated usage for which bills have not been sent.

Inventories

Inventories are valued at cost using the first in/first out (FIFO) method and consist of expendable supplies. The costs of governmental fund type inventories are recorded as expenditures when consumed.

Prepaid Items

Prepaid items in governmental funds are accounted for under the consumption method.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the government-wide financial statements and the fund financial statements for proprietary funds. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value on the date of donation.

Capital assets are defined as assets with an initial value or cost greater than or equal to \$5,000 and an estimated useful life of greater than one year. Exceptions are for infrastructure assets which are defined as having a constructed cost greater than \$50,000.

Capital assets are depreciated using the straight-line method over their estimated useful lives as follows:

	Years
Water distribution facilities	50
Sewer and solid waste collection and treatment facilities	15-50
Electric distribution facilities	15-40
Building and improvements	40
Furniture and equipment	7-15
Vehicles	5

Depreciation expense is charged directly to the department/function based on the department that utilizes the related asset.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure/reduction of liability) until then. The City has three items that qualify for reporting in this category. Two of the items are related to pensions, with one being the amount of contributions made to the pension plans after the measurement date, and the other comprised of the difference in investment experience between actual earnings and projected earnings on pension plan investments. Deferred outflows related to contributions made after the measurement date will be used in the next year to reduce net pension liability or increase net pension asset. The remaining amounts will be amortized to pension expense over future periods as shown within *Note 7*. The third item relates to other postemployment benefits (OPEB) and is comprised of the difference between the expected and actual experience and the change in assumptions. These amounts will be amortized to OPEB expense over future periods as shown in *Note 8*.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

In addition to liabilities, the statement of net position and balance sheet – governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has three items that qualify as deferred inflows of resources as of December 31, 2019. The items reported in the statements are unavailable revenues in the governmental funds balance sheet and deferred inflows – pensions and deferred inflows – OPEB in the government-wide statement of net position and proprietary funds statement of net position. Unavailable revenue arises under the modified accrual basis of accounting and qualifies for reporting in this category. Accordingly, this item is only reported in the governmental funds balance sheet. Governmental funds report unavailable revenue from property taxes and grant receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item, deferred inflows - pensions, consists of the difference between the expected and actual experience related to the pension plans as well as the difference in the assumption changes. Deferred inflows - pensions are amortized to pension expense over future periods as shown within *Note 7*. The third item, deferred inflows – OPEB consists of the difference in the assumption changes. Deferred inflows – OPEB are amortized to OPEB expense over future periods as shown in *Note 8*.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the columns for governmental activities and business-type activities. These amounts are also reported as liabilities in the fund financial statements for proprietary funds. Debt premiums, discounts and deferred gains on refundings are generally deferred and amortized using the effective interest rate method. Long-term debt is reported net of the unamortized gain on refunding and bond issue premium or discount. In the government wide statements, debt issuance costs are reported as expenditures in the period incurred.

In the fund financial statements, governmental fund types recognize debt premiums, as well as debt issuance costs, during the current period. The face amount of the debt issued and premiums received are reported as other financing sources. Issuance costs, whether or not withheld from the actual proceeds received are reported as debt service expenditures.

Compensated Absences

The City grants vacation to all full-time employees based on continuous service. The cost of vacation (and sick pay for certain employee classifications) is accrued when earned in the government-wide and proprietary fund financial statements and reported as accrued expenses. No liability is recorded in the fund statements of governmental funds unless they have matured, as payment of this liability will not be made with expendable available financial resources unless an employee has terminated employment as of the end of the fiscal year. For governmental activities, compensated absences are generally liquidated by the general fund.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Firemen's Relief and Pension Fund, the Local Police and Fire Retirement System and the Arkansas Public Employee's Retirement System (together, the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance - Governmental Funds

The fund balances for the City's governmental funds are displayed in three components:

Nonspendable - Nonspendable fund balances are not in a spendable form or are required to be maintained intact.

Restricted - Restricted fund balances may be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

The City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

Net Position

Net position of the City is classified in three components. Net investment in capital assets, consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted net position is noncapital assets that must be used for a particular purpose as specified by creditors, grantors, contributors or laws and regulations of other governments or are imposed by law through constitutional provisions or enabling legislation, reduced by the outstanding balances of any related borrowings. Unrestricted net position is the remaining assets less remaining liabilities that do not meet the definition of net investment in capital assets or restricted.

When both restricted and unrestricted resources are available for use, generally it is the City's policy to use restricted resources first.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Nonrecurring Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City had nonrecurring fair value measurements during 2019 for infrastructure capital assets contributed to the City from developers. The contributed assets were recorded at acquisition values totaling \$7,373,320 based upon the costs to construct by the developers (Level 3 inputs).

Budgetary Information

Annual budget are adopted on a basis consistent with generally accepted accounting principles for the general and street fund. All annual appropriations lapse at year end and are re-established in the succeeding year.

Adoption of Accounting Principles

GASB Statement No. 83 – *Certain Asset Retirement Obligations* (GASB 83): GASB 83 addresses issues in accounting and financial reporting for certain asset retirement obligations (AROs), including establishing criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs.

GASB Statement No. 90 – *Majority Equity Interest – an amendment of GASB Statement No. 14 and No. 61*: The primary objectives of this statement are to improve the consistency and comparability of reporting a government's major equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

New Governmental Accounting Standards Board (GASB) Pronouncements

The GASB has issued the following statements which the City has not yet adopted and which require adoption subsequent to December 31, 2019:

GASB Statement No. 84 – *Fiduciary Activities* (GASB 84): GASB 84 provides for greater consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. This statement is effective for periods beginning after June 15, 2019, with earlier application encouraged. The City has not yet determined the potential impact, if any, that this statement could have on its financial statements.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

GASB Statement No. 87 – *Leases* (GASB 87): The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This statement is effective for periods beginning after June 15, 2021. The City has not yet determined the potential impact, if any, that this statement could have on its financial statements.

GASB No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* (GASB 88): The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established.

This statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

This statement is effective for periods beginning after June 15, 2019, with earlier application encouraged. The City has not yet determined the potential impact, if any, that this statement could have on its financial statements.

GASB Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period*: The primary objectives of this statements are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement establishes accounting requirements for interest cost incurred before the end of a construction period. It also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a bases consistent with governmental fund accounting principles. The requirements of this statement are effective for reporting periods beginning after December 15, 2020, with earlier application encouraged. The City has not yet determined the potential impact, if any, that this statement could have on its financial statements.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

GASB Statement No. 91, *Conduit Debt Obligations*: The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation: establishing that a conduit debt obligation is not a liability to the issuer; establishing standards for accounting and financial report of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2021, with earlier adoption encouraged. The City has not yet determined the potential impact, if any, that this statement could have on its financial statements.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*: The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership agreements (PPPs). The statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this statement are effective for reporting periods beginning after June 15, 2022. The City has not yet determined the potential impact, if any, that this statement could have on its financial statements.

The effect of these statements on the City has not been determined but could have a significant impact on the City's overall net position.

Note 2: Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The City's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires that deposits in financial institutions be collateralized with federal depository insurance and other acceptable collateral in specific amounts. No legal opinion has been obtained regarding the enforceability of any of the collateral arrangements.

At December 31, 2019, the City had bank balances of \$122,458,481 that were all insured (FDIC) or collateralized with securities held by the City or the City's agent in the City's name. The carrying value of these deposits as of December 31, 2019, was \$122,447,914.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Investments

Arkansas statutes authorize the City to invest in direct obligations of the U. S. government; obligations on which the principal and interest are fully guaranteed, or are fully secured, insured, or covered by commitments or agreements to purchase by the U. S. government; obligations of agencies and instrumentalities created by act of the United States Congress and authorized thereby to issue securities or evidence of indebtedness, regardless of guarantee of repayment by the U.S. government; obligations of political subdivisions of the United States; certain obligations issued by the State Board of Education; short-term warrants of political subdivisions of the State of Arkansas and municipalities; the sale of federal funds with a maturity of not more than one business day; demand, savings or time deposits fully insured by a federal deposit insurance agency; repurchase agreements that are fully insured by obligations of the U. S. government, any U. S. state or any political subdivision thereof; securities of, or other interest in, any open-end type investment company or investment trust registered under the Investment Company Act of 1940, and which is considered a money market fund, provided that the portfolio is limited principally to U. S. government obligations and the investment company or trust takes delivery of collateral either directly or through an authorized custodian; and bank certificates of deposit. Arkansas statutes also authorize the City to invest no more than 20 percent of its capital base in corporate debt obligations; revenue bond issues of any U. S. state, municipality, or political subdivision; industrial development bonds for corporate obligors issued through any U. S. state or political subdivision; securities or interest in an open-end or closed-end management type investment company or trust registered under the Investment Company Act of 1940 with certain limitations; securities or interests issued, assumed, or guaranteed by certain international banks; and uninsured demand, savings, or time deposits or accounts of any depository institution chartered by the United States, any U. S. state, or the District of Columbia.

Investments at December 31, 2019, consisted of the following:

Type	Fair Value	Maturities in Years			
		Less than 1	1-5	6-10	More than 10
Money market mutual funds	\$ 28,565,027	\$ 28,565,027	\$ -	\$ -	\$ -

Interest Rate Risk – The City’s investment policy does not specifically address interest rate risk.

Credit Risk - Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City’s investment policy does not specifically address credit risk.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

The pension fund investment policy limits its investments in fixed income securities and preferred shares to a rating of "investment grade" by Moody's Investors Service and Standard & Poor's.

Investment Type	Rating Agency	Rating
Money Market Mutual Funds	S&P/Moody's	AAA/Aaa

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. While the City's investment policy does not directly address custodial credit risk, all investments held by the City or by an agent of the City in the City's name are insured or collateralized or limited to Treasury Fund Money Markets.

Concentration of Credit Risk - The City places no limit on the amount that may be invested in any one issuer.

Summary of Carrying Values

The carrying values of deposits and investments shown above are included in the financial statements as follows:

Carrying value	
Deposits	\$ 122,447,914
Cash on hand	8,960
Investments	<u>28,565,027</u>
	<u>\$ 151,021,901</u>
Included in the following statement of net position captions	
Cash and cash equivalents	\$ 56,899,581
Certificates of deposit	43,500,000
Restricted cash and cash equivalents – current	28,011,433
Restricted cash and cash equivalents – noncurrent	<u>22,610,887</u>
	<u>\$ 151,021,901</u>

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Note 3: Capital Assets

A summary of changes in capital assets for the year ended December 31, 2019, is presented below:

Governmental Activities	Balance, December 31, 2018	Additions and Transfers, Net	Retirements and Transfers, Net	Balance, December 31, 2019
Capital assets, non-depreciable				
Land	\$ 8,903,448	\$ 501,552	\$ -	\$ 9,405,000
Total capital assets, non-depreciable	8,903,448	501,552	-	9,405,000
Capital assets, depreciable				
Other improvements	90,814,921	4,684,112	-	95,499,033
Streets	179,097,987	4,160,815	-	183,258,802
Buildings	51,601,336	8,876,636	346,666	60,131,306
Furniture, fixtures & equipment	34,931,738	4,509,120	311,230	39,129,628
Total capital assets, depreciable	356,445,982	22,230,683	657,896	378,018,769
Less accumulated depreciation				
Other improvements	26,886,860	4,784,078	-	31,670,938
Streets	46,151,750	3,368,016	-	49,519,766
Buildings	10,204,075	1,063,640	346,666	10,921,049
Furniture, fixtures & equipment	22,360,115	2,431,428	234,375	24,557,168
Total accumulated depreciation	105,602,800	11,647,162	581,041	116,668,921
Total governmental activities, net	\$ 259,746,630	\$ 11,085,073	\$ 76,855	\$ 270,754,848

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Business-type Activities	Balance, December 31, 2018	Additions and Transfers, Net	Retirements and Transfers, Net	Balance, December 31, 2019
Capital assets, non-depreciable				
Land	\$ 8,224,143	\$ 3,330	\$ -	\$ 8,227,473
Total capital assets, non-depreciable	8,224,143	3,330	-	8,227,473
Capital assets, depreciable				
Other improvements	2,245,316	172,419	-	2,417,735
Water distribution facilities	70,398,398	1,689,876	-	72,088,274
Sewer and solid waste collection and treatment facilities	81,494,004	1,063,884	-	82,557,888
Electric distribution facilities	88,187,117	4,249,582	-	92,436,699
Buildings	22,241,650	366,421	-	22,608,071
Furniture and equipment	20,448,537	2,783,988	294,157	22,938,368
Vehicles	3,235,433	408,352	192,458	3,451,327
Total capital assets, depreciable	288,250,455	10,734,522	486,615	298,498,362
Less accumulated depreciation				
Other improvements	337,465	125,864	-	463,329
Water distribution facilities	23,786,625	1,439,305	-	25,225,930
Sewer and solid waste collection and treatment facilities	28,509,909	1,707,794	-	30,217,703
Electric distribution facilities	23,989,902	2,097,728	-	26,087,630
Buildings	1,600,466	562,459	-	2,162,925
Furniture and equipment	10,083,839	1,223,377	49,772	11,257,444
Vehicles	2,699,826	265,442	362,688	2,602,580
Total accumulated depreciation	91,008,032	7,421,969	412,460	98,017,541
Total business-type activities, net	\$ 205,466,566	\$ 3,315,883	\$ 74,155	\$ 208,708,294

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities		
General government	\$	1,379,558
Public safety		1,777,257
Recreation		1,823,336
Street department		6,474,866
Library		192,145
		<u>11,647,162</u>
Total depreciation expense		<u>11,647,162</u>
Business-type		
Electric		2,976,678
Water		1,762,319
Waste water		814,792
Sanitation		1,236,309
Support		631,871
		<u>7,421,969</u>
Total depreciation expense		<u>7,421,969</u>
Total depreciation expense, primary government	\$	<u>19,069,131</u>

Construction Projects

At December 31, 2019, the City had the following commitments with respect to unfinished capital projects.

Governmental Fund Construction Projects

	Project Authorization	Expended Through December 31, 2019	Remaining Commitment
Citizens Park Tennis Courts	\$ 1,279,844	\$ 1,038,475	\$ 241,369
NW 3rd Phase 3	2,426,366	2,264,479	161,887
Police Communications Center	8,207,266	7,408,794	798,472
West Side Taxiway	2,250,611	2,111,760	138,851
Fire Station 7	2,549,899	2,475,981	73,918
SW I Street/Highway 102	1,589,332	1,116,048	473,284
8th Street/Water Tower Road	1,008,340	62,817	945,523
Total	<u>\$ 19,311,658</u>	<u>\$ 16,478,354</u>	<u>\$ 2,833,304</u>

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Note 4: Long-term Liabilities

Changes in long-term liabilities for the year ended December 31, 2019, were as follows:

Governmental Activities	Balance December 31, 2018	Increases	Decreases	Balance December 31, 2019	Amounts Due in One Year
Bonds payable					
Revenue bonds	\$ 50,240,000	\$ -	\$ 11,505,000	\$ 38,735,000	\$ 6,605,000
Add unamortized premium	1,549,629	-	174,332	1,375,297	-
Less unamortized bond issue discount	578,979	-	64,381	514,598	-
Bonds payable, net	51,210,650	-	11,614,951	39,595,699	6,605,000
Compensated absences	1,530,858	182,904	64,433	1,649,329	191,566
Net pension liability	31,334,379	7,482,411	-	38,816,790	-
Other postemployment benefits - GASB 75	4,378,838	1,009,233	-	5,388,071	115,604
Total governmental activities long-term liabilities	\$ 88,454,725	\$ 8,674,548	\$ 11,679,384	\$ 85,449,889	\$ 6,912,170
Business-type Activities					
Bonds payable					
Revenue bonds	\$ 8,839,254	\$ -	\$ 2,436,245	\$ 6,403,009	\$ 1,036,555
Less unamortized bond issue discount	11,565	-	6,468	5,097	-
Bonds payable, net	8,827,689	-	2,429,777	6,397,912	1,036,555
Compensated absences	674,157	80,982	6,837	748,302	737,965
Net pension liability	8,276,739	1,233,144	-	9,509,883	-
Other postemployment benefits - GASB 75	891,155	193,524	-	1,084,679	22,168
Customer deposits	1,014,537	248,141	-	1,262,678	-
Total business-type activities long-term liabilities	\$ 19,684,277	\$ 1,755,791	\$ 2,436,614	\$ 19,003,454	\$ 1,796,688

City of Bentonville, Arkansas
Notes to Financial Statements
December 31, 2019

Bonds outstanding at December 31, 2019, were as follows:

	Interest Rates	Date Callable	Final Maturity Date	Principal at December 31, 2019
General long-term obligations				
Sales and Use Tax bonds, Series 2007	4.0–5.0%	2017	2027	\$ 2,680,000
Sales and Use Tax bonds, Series 2009	4.0–5.0%	2017	2027	10,070,000
Sales and Use Tax bonds, Series 2010	2.0–4.0%	2017	2027	8,870,000
Sales and Use Tax bonds, Series 2017	2.0–5.0%	2022	2027	17,115,000
				<u>\$ 38,735,000</u>
Enterprise funds				
Revenue bonds, Series 2006A	2.50%	2016	2028	\$ 3,903,453
Revenue bonds, Series 2006B	5.75–5.95%	2013	2025	1,080,000
Revenue bonds, Series 2000	2.75%	N/A	2023	1,221,466
Revenue bonds, Series 1998	2.75%	2009	2021	198,090
				<u>\$ 6,403,009</u>

Sales and Use Tax Bonds, Series 2017 – On April 25, 2017, the City issued \$24,655,000 Sales and Use Tax bonds for the purpose of financing the costs of various capital improvements, providing for a debt service reserve and paying costs incidental thereto and to the issuance of the bonds. The bonds bear interest rates ranging from 2.0% - 5.0%. During 2019, the City retired \$3,550,000 in principal of the outstanding bonds.

Sales and Use Tax Bonds, Series 2010 – On November 1, 2010, the City issued \$21,505,000 Sales and Use Tax bonds for the purpose of financing the costs of various capital improvements, providing for a debt service reserve and paying costs incidental thereto and to the issuance of the bonds. The bonds bear interest rates ranging from 2.0% - 4.0%. During 2019, the City retired \$1,810,000 in principal of the outstanding bonds.

Sales and Use Tax Bonds, Series 2009 – On October 27, 2009, the City issued \$30,000,000 Sales and Use Tax bonds for the purpose of financing the costs of various capital improvements, providing for a debt service reserve and paying costs incidental thereto and to the issuance of the bonds. The bonds bear interest rates ranging from 4.0% - 5.0%. During 2019, the City retired \$2,545,000 in principal of the outstanding bonds.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Sales and Use Tax Bonds, Series 2007 – On October 9, 2007, the City issued \$36,335,000 Sales and Use Tax bonds for the purpose of financing the costs of various capital improvements, providing for a debt service reserve and paying costs incidental thereto and to the issuance of the bonds. The bonds bear interest rates ranging from 4.0% - 5.0%. During 2019, the City retired \$3,600,000 in principal of the outstanding bonds.

Combined Electric, Water and Sewer Revenue Bonds, Series 2006A – On January 10, 2006, the City issued \$9,708,500 Combined Electric, Water and Sewer bonds for the purpose of financing a portion of the costs of the construction of improvements to the water facilities of the City's combined Electric, Water, and Sewer system (the System). The bonds are not a general obligation of the City, but are secured by a pledge of and are payable from revenues of the System. The City entered into an agreement with the Arkansas Development Finance Authority ("ADFA") whereby ADFA agreed to purchase up to the par amount of the bonds. The bonds were issued in increments that corresponded to the construction activity. The bonds are subordinate to the Series 2005, Series 1999, Series 1998 and Series 1992. The bonds bear interest at 2.25% and the City is required to pay the bond servicer (ADFA) a servicing fee of 1% per annum on the outstanding principal of the bonds. During 2019, the City retired \$375,913 in principal of the outstanding bonds.

Combined Electric, Water and Sewer Revenue Bonds, Series 2006B – On April 1, 2006, the City issued \$2,600,000 in Combined Electric, Water and Sewer Revenue bonds for the purpose of constructing extensions, betterments and improvements to the water facilities of the System, fund a debt service reserve, and pay costs of issuing the Bonds. The bonds are not a general obligation of the City but are secured by a pledge of and are payable from revenues of the System. The bonds are subordinate to the Series 2006A, Series 2005, Series 1999, Series 1998 and Series 1992. The bonds bear an interest rate ranging from 5.2% to 5.9%. During 2019, the City retired \$145,000 in principal of the outstanding bonds.

Combined Electric, Water and Sewer Revenue Bonds, Series 2005 – On April 1, 2005, the City issued \$8,990,000 in Combined Electric, Water and Sewer Revenue bonds for the purpose of constructing extensions, betterments and improvements to the electric and sewer facilities of the System, fund a debt service reserve, and pay costs of issuing the Bonds. The bonds are not a general obligation of the City but are secured by a pledge of and are payable from revenues of the System. The bonds are subordinate to the Series 1999 bonds. The bonds bear an interest rate ranging from 2.4% to 4%. During 2019, the City retired the remaining \$1,435,000 in principal of the outstanding bonds.

Combined Electric, Water and Sewer Revenue Bonds, Series 2000 – On June 13, 2000, the City issued \$5,500,000 in Combined Electric, Water and Sewer Revenue bonds for the purpose of planning, design, construction and/or rehabilitation of the wastewater treatment facilities. The bonds are not a general obligation of the City but are secured by a pledge of and are payable from revenues of the System. The City entered into an agreement with ADFA whereby ADFA agreed to purchase up to the par amount of the bonds. The bonds were issued in increments that corresponded to the construction activity. The bonds are subordinate to the Series 1999, Series 1998 and Series 1992 bonds. The bonds bear interest at 2.75% and the City is required to pay the bond servicer (ADFA) a servicing fee of 1% per annum on the outstanding principal of the bonds. During 2019, the City retired \$338,009 in principal of the outstanding bonds.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Combined Electric, Water and Sewer Revenue Bonds, Series 1998 – On October 27, 1998, the City issued \$2,150,000 in Combined Electric, Water and Sewer Revenue bonds for the purpose of planning, design and construction of wastewater treatment facilities. The bonds are not a general obligation of the City but are secured by a pledge of and are payable from revenues of the System. The City entered into an agreement with ADFA whereby ADFA agreed to purchase up to the par amount of the bonds. The bonds were issued in increments that corresponded to the construction activity. The bonds bear interest at 2.75% and the City is required to pay the bond servicer (ADFA) a servicing fee of 1% per annum on the outstanding principal of the bonds. During 2019, the City retired \$142,322 in principal of the outstanding bonds.

Annual Debt Service Requirements

The following schedule shows the annual debt service requirements to pay principal and interest on revenue bonds outstanding at December 31, 2019.

Fiscal Year	Principal	Interest	Fees
2020	\$ 7,641,555	\$ 2,770,898	\$ 52,501
2021	7,071,906	2,437,367	43,607
2022	6,312,371	2,092,410	36,488
2023	6,305,861	1,750,744	27,615
2024	6,399,285	1,439,563	22,362
2025-2028	<u>11,407,031</u>	<u>2,391,905</u>	<u>43,686</u>
	<u>\$ 45,138,009</u>	<u>\$ 12,882,887</u>	<u>\$ 226,259</u>

For governmental activities, net pension liabilities and other postemployment liabilities have historically been the responsibility of the General Fund.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

The following is a summary of pledged revenues of the City for the year ended December 31, 2019:

Debt	Revenue Pledged	Total Pledged Revenue	Portion of Pledged Revenue Stream	Percentage Portion of Pledged Revenue Stream	Remaining Principal, Interest and Fees	Period Revenue Will Not Be Available for Other Purposes
Governmental Activities:						
Sales and Use Tax Bonds, Series 2017	Sales and Use Tax	\$ 39,654,947	\$ 1,427,578	3.6%	\$ 19,940,706	Until 2027
Sales and Use Tax Bonds, Series 2010	Sales and Use Tax	39,654,947	2,260,332	5.7%	11,577,638	Until 2027
Sales and Use Tax Bonds, Series 2009	Sales and Use Tax	39,654,947	3,331,016	8.4%	13,255,403	Until 2027
Sales and Use Tax Bonds, Series 2007	Sales and Use Tax	39,654,947	4,124,114	10.4%	6,087,594	Until 2025
Business-Type Activities:						
Combined Electric, Water and Sewer Revenue Bonds, Series 2006A	Revenues of the Enterprise Fund	10,262,277	612,374	6.0%	4,543,826	Until 2028
Combined Electric, Water and Sewer Revenue Bonds, Series 2006B	Revenues of the Enterprise Fund	10,262,277	204,125	2.0%	1,312,840	Until 2025
Combined Electric, Water and Sewer Revenue Bonds, Series 2000	Revenues of the Enterprise Fund	10,262,277	408,249	4.0%	2,113,501	Until 2023
Combined Electric, Water and Sewer Revenue Bonds, Series 1998	Revenues of the Enterprise Fund	10,262,277	204,125	2.0%	515,684	Until 2021

Note 5: Interfund Receivables and Payables

Interfund receivables and payables as of December 31, 2019, are as follows:

	Interfund Receivables	Interfund Payables
General fund	\$ -	\$ 12,086
Street fund	9,350	-
Enterprise fund	2,736	-
	<u>\$ 12,086</u>	<u>\$ 12,086</u>

The outstanding balances between funds result mainly from the time lag between the dates (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

City of Bentonville, Arkansas
Notes to Financial Statements
December 31, 2019

Note 6: Interfund Transfers

Amount of interfund transfers between funds are summarized as follows:

	Transfers In	Transfers Out
General fund	\$ 3,753,562	\$ 451,400
Street fund	1,768,374	-
Capital project fund	-	1,316,974
Non-major governmental funds	-	3,753,562
Total	\$ 5,521,936	\$ 5,521,936

Transfers are used to move revenues from the fund where collected to the appropriate fund.

Note 7: Pension Plans

The City of Bentonville, Arkansas participates in three defined benefit pension plans; which are comprised of one agent multiple employer defined benefit pension plan and two cost-sharing multiple-employer defined benefit pension plans, each of which are described and illustrated in detail below. Aggregate amounts for the three pension plans are as follows:

	FRPF	LOPFI	APERS	Total
Net pension asset	\$ 1,206,689	\$ -	\$ -	\$ 1,206,689
Net pension liability	-	24,673,203	23,653,470	48,326,673
Deferred outflows of resources	522,380	8,364,685	3,591,295	12,478,360
Deferred outflows of resources - contributions	-	2,381,554	1,461,702	3,843,256
Deferred inflows of resources	-	176,795	1,125,335	1,302,130
Pension expense	162,341	5,214,115	5,705,580	11,082,036

Pension items listed above for the Arkansas Public Employees Retirement System (APERS) Plan have been allocated between governmental activities and business-type activities (as well as proprietary funds) on the basis of total salaries.

The City also participates in the Bentonville Volunteer Fire Plan, an agent multiple-employer defined benefit plan. Pension items and disclosures have not been included herein because of the insignificance of their dollar amounts.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Firemen's Relief and Pension Fund ("FRPF") (the Old Plan)

Plan Description. The Firemen's Relief and Pension Fund ("FRPF") is an agent multiple-employer defined benefit pension plan for employees of the Fire Department who were hired prior to January 1, 1983. The Old Plans were established in accordance with Arkansas statutes and were closed, by state law, to new employees effective January 1, 1983. On June 25, 2013, the City entered into an agreement with the Arkansas local police and fire (LOPFI) retirement system whereby LOPFI assumed responsibility for administration and a portion of the obligation of the Old Plans pursuant to Act 364 of 1981, as amended, and Act 655 of 1983 of the General Assembly of the State of Arkansas. Per the Agreement between the City and LOPFI, the City will contribute an actuarially determined rate sufficient to support the current plan benefit levels and fund the Old Plan's net pension obligation over a 30 year open amortization period. The Old Plan's benefit structure remains unchanged under the administration of LOPFI. The Old Plan issues separate stand-alone financial statements and can be obtained from the Arkansas Local Police and Fire Retirement System, 620 West 3rd Street, Little Rock, Arkansas, 72201.

Benefits. The FRPF provides retirement benefits for firemen who have completed 20 years of service regardless of age. The benefit is equal to 50% of the member's final salary, but not less than \$11,040. If service exceeds 20 years, the annual benefit is increased by \$240 for each year over 20, not to exceed \$1,200 per year and if service exceeds 25 years, the member will receive an additional 1.25% for each year over 25 years, however, the total benefit cannot exceed 100% of the member's final salary. Disability benefits are available to policemen who become permanently disabled, unless the disability is the direct result of gainful employment performed outside of the police department. This benefit is the same as noted above, but for non-duty disability cannot be less than \$11,040 per year and for duty-related disability cannot be less than 65% of the member's final salary. The PRPF also provides benefits for surviving spouses and dependent children in which widow's receive the same amount the member is receiving or would be eligible to receive and children receive \$1,500 per year until age 18 (23, if still in school). No participants' benefits vest until normal retirement age. At normal retirement, participants may elect to continue working and enter the Deferred Retirement Option Plan for up to 5 years. All firemen hired after January 1, 1983, participate in the Arkansas Local Police and Fire Retirement System created by Act 364 of 1981 and described later in this footnote. Therefore, the Firemen's Fund is effectively closed to new members.

City of Bentonville, Arkansas
Notes to Financial Statements
December 31, 2019

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees and beneficiaries	10
DROP members	-
Active members	-
Total	<u>10</u>

Contributions. As the plan is closed to new members and there are no active members included in the plan, there are no contributions made by members to the plan. The contribution rate for the City is actuarially determined on an annual basis. However, due to the well-funded status of the plan, there has been no contribution requirement for the City in recent years. The Plan does, however, normally receive a state insurance turn back on an annual basis. However, no state insurance turn back was received during the year ended December 31, 2019.

Net Pension Asset. The City's net pension asset of \$1,206,689 as of December 31, 2019 was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial calculation as of December 31, 2018.

Actuarial Assumptions

Valuation Date	December 31, 2018
Cost Method	Individual entry-age normal
Asset valuation method	5-Year smoothed market
Amortization method	Close amortization period
Amortization period	12 years beginning January 1, 2018

Assumptions:

Inflation rate	2.75%
Investment rate of return	7.00%
Projected salary increases	3.75%

Mortality rates for retirees, beneficiaries, and DROP members were based on the gender-distinct RP2000 Combined Mortality Table, projected to 2019 and set forward two years for males. For disabled members, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Actuarial assumptions used in the December 31, 2018, valuation were based on the results of actuarial experience studies. The experience study in FRPF was for the period January 1, 2008 through December 31, 2011, first used in the December 31, 2012 valuation. Assumptions are reviewed annually. No additional changes were made for the 2018 valuation.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Long-term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the LOPFI Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of the plan.

The long-term expected rate of return on pension plan investment was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation are developed for each major asset class). These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Long-term Expected Real Rate of Return		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Fixed Income	28%	0.90%
Domestic Equity	42%	5.30%
Foreign Equity	20%	7.00%
Alternative Investments	10%	6.20%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of retired and DROP members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Bentonville, Arkansas
Notes to Financial Statements
December 31, 2019

Changes in the Net Pension Asset

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at January 1, 2019	\$ 5,993,940	\$ 7,876,894	\$(1,882,954)
Changes for the year:			
Interest	405,456	-	405,456
Differences between expected and actual experience	51,252	-	51,252
Contributions - employer	-	13,795	(13,795)
Contributions - employee	-	-	-
Net investment income	-	(218,852)	218,852
Local plan administrative mergers	-	10	(10)
Benefit payments, including refunds of employee contributions	(403,429)	(403,429)	-
Change in Assumptions	-	-	-
Administrative expense	-	(14,510)	14,510
Net changes	53,279	(622,986)	676,265
Balances at December 31, 2019	\$ 6,047,219	\$ 7,253,908	\$(1,206,689)

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following table presents the net pension asset for the City using the current rate as compared to what the net pension asset would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage higher than the current rate:

	Sensitivity of the Net Pension Asset to the Single Discount Rate Assumption		
	1% Decrease 6.00%	Current Single Rate Assumption 7.00%	1% Increase 8.00%
City's Net Pension Asset	\$ (503,096)	\$ (1,206,689)	\$ (1,794,037)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Old-Plan financial report.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources

For the year ended December 31, 2019, the City recognized pension expense of \$162,341 related to this plan.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

At December 31, 2019, the City reported deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 522,380

Amounts reported as deferred inflows of resources related to the Plan will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	
2020	\$ 217,828
2021	90,361
2022	62,973
2023	<u>151,218</u>
Total	<u>\$ 522,380</u>

Local Police and Fire Retirement System ("LOPFI")

Plan Description. The Arkansas Local Police and Fire Retirement System ("LOPFI") is a statewide cost-sharing multiple-employer defined benefit pension plan administered by the LOPFI Board of Trustees. LOPFI provides retirement, disability and survivor benefits to police and fire employees of political subdivisions of the State of Arkansas. LOPFI was created by Act 364 of the 1981 General Assembly. Employees hired after January 1, 1983, whose political subdivision had a retirement system in effect at July 1, 1981, are eligible to participate in the plan. On January 1, 2008, only firemen of the City participated in the plan. Effective July 1, 2008, policemen of the City began participating in the plan. LOPFI issues a publicly available report, which may be obtained by writing to LOPFI, P. O. Drawer 34164, Little Rock, Arkansas, 72203, or by calling 501.682.1745.

Benefits provided. LOPFI provides for a retirement benefit paid to the member on a monthly basis. The monthly benefit is based on a formula provided by law for the Member's lifetime. The Member has several options in calculating the benefit, which is normally the result of these factors: age at retirement, retirement multiplier, amount of credit services (years and months), and final average pay (FAP). Each option available to the member provides for a different calculation based on these factors.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Contributions. Contributions to LOPFI are made by both the members and employers. Member contribution rates are established by the LOPFI Board of Trustees. The employer contributions are actuarially determined on an annual basis. The current employee contribution rate is 2.5 percent of covered payroll for policemen and 8.5 percent of covered payroll for firemen. The City contributed 23.50% of covered employee's salaries to the plan for policemen and firemen for the year ended December 31, 2019. Contributions made to the plan by employees and the City for the year ended December 31, 2019 amounted to \$579,870 and \$2,381,554, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the City reported a liability of \$24,673,203 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the ratio of the City's actual contributions to the Plan during the measurement period to the total employer contributions to the Plan of the group for the measurement period. At December 31, 2018, the City's proportion was 2.734 percent, which was an increase of .02224 percent from the prior year.

For the year ended December 31, 2019, the City recognized pension expense of \$5,214,115 related to this plan. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,310,809	\$ -
Net difference between projected and actual earnings on pension plan investments	3,156,833	-
Changes in assumption	3,377,103	-
Changes in proportion	519,940	176,795
Contributions subsequent to the measurement date	2,381,554	-
Total	\$ 10,746,239	\$ 176,795

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

The amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$5,381,554 will be recognized as a reduction of the net pension liability for the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized in pension expense as follows:

Year Ending December 31,		
2020	\$	3,444,976
2021		2,454,886
2022		1,290,748
2023		<u>997,280</u>
Total	\$	<u>8,187,890</u>

Actuarial Assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Price inflation	2.50 percent
Wage inflation	3.25 percent
Salary increases	4.25 to 18.75 percent, including inflation
Investment rate of return	7.00 percent, as adopted by the Board

Mortality rates were based on the RP-2014 Healthy Annuitant benefit-weighted generational mortality table for males and females, as appropriate, with adjustments for mortality improvements based on scale AA.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2008 to December 31, 2011. As a result of the 2011 actuarial experience study, the expectation of life after disability was adjusted in the December 31, 2018 actuarial evaluation to more closely reflect actual experience.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Long-term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return. The rates were built on a target allocation for all pension funds; the target for an individual fund will vary within the guidelines of Arkansas law and regulation. The long-term expected rates of return are shown in the table below:

Long-term Expected Real Rate of Return		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Fixed Income	28%	0.90%
Domestic Equity	42%	5.30%
Foreign Equity	20%	7.00%
Alternative Investments	10%	6.20%
Total	100%	

Discount Rate

In the December 31, 2018 actuarial valuation, a single discount rate of 7% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7%. The projection of cash flows, based on the assumptions made, found that the pension plan's net position was available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6 percent) or 1-percentage-point higher (8 percent) than the current rate:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption			
1% Decrease 6.00%	Current Single Rate Assumption 7.00%	1% Increase 8.00%	
City's proportionate share of the net pension liability	\$ 36,414,534	\$ 24,673,203	\$ 15,211,958

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued LOPFI financial report.

Arkansas Public Employees Retirement System ("APERS")

Plan Description. For certain other employees, the City contributes to the Arkansas Public Employees Retirement System ("APERS"), a cost-sharing multiple-employer defined benefit plan administered by the APERS Board of Trustees. APERS provides retirement, death and disability benefits and annual cost-of-living adjustments to plan members. APERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to APERS, One Union National Plaza, Little Rock, AR 72201 or by calling 501.682.7800.

Act 2084 of the 2005 Arkansas General Assembly provides for a new contributory program for APERS members hired on or after July 1, 2005 and those non-contributory members who elect to become contributory. Members participating in the contributory program will contribute 5% of their annual compensation, pre-tax (taxes are deferred). All active APERS members employed before July 1, 2005, had six months to elect coverage under the contributory program. The deadline to elect to be contributory was December 31, 2005. The contributory program does not provide for a temporary annuity for participants. However, the contributory program does provide for a higher multiplier (2.0%) that is utilized to calculate the member's retirement benefit.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Benefits provided. Benefits under APERS are calculated depending on the member's hire date, with retirees separated into two separate categories; the non-contributory plan applies to all persons hired prior to July 1, 2005, while the new contributory plan applies to all employees hired on or after July 1, 2005. Under both plans, a member may retire with full benefits at either the age of 65 with five years of service, or at any age with 28 years of service. The member may retire with reduced benefits at either the age of 55 with five years of service or at any age with 25 years of service. The reduction is equal to one-half of one percent for each month retirement precedes normal retirement age or one-percent for each month below 28 years of actual service, whichever is less. Under the non-contributory plan, the benefit calculation is equal to a factor of 1.72% of the member's final average salary multiplied by the years and months of credited service. Under the new contributory plan, the benefit calculation is equal to a factor of 2.00% of the members final average salary multiplied by the years of credited service. Under each plan, an additional .5% of the member's final average salary is awarded for each year of credited service exceeding 28 years. The minimum monthly benefit is \$150, excluding any age and beneficiary option reductions.

Under both the non-contributory and contributory plan, the member's final average salary is the highest 36 calendar months of covered compensation. In addition, a cost-of-living adjustment of 3% annually is included in the current benefits.

Contributions. Contributions to APERS are made by both the members (under the contributory plan) and employers. Member contribution rates are established by the APERS Board of Trustees. The employer contributions are actuarially determined on an annual basis. The current employee contribution rate is 5 percent of covered payroll for each employee under the new contributory plan. The City contributed 15.32% of covered employee's salaries to the plan for the period January 1, 2019 to December 31, 2019. Contributions made to the plan by employees and the City for the year ended December 31, 2019 amounted to \$685,829 and \$2,891,690, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the City reported a liability of \$23,653,470 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on based on the ratio of the City's actual contributions to the Plan during the measurement period to the total employer contributions to the Plan of the group for the measurement period. At June 30, 2019, the City's proportion was .98044303%, which is an increase of .05839583% from the prior year.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

For the year ended December 31, 2019, the City recognized pension expense of \$5,705,580. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 643,747	\$ 35,143
Change of assumptions	1,283,844	909,279
Changes in proportion and differences between City contributions and share of		
Changes in proportion	1,663,704	1,256
Net difference between projected and actual earnings on pension plan investments	-	179,660
Contributions subsequent to the measurement date	1,461,702	-
Total	<u>\$ 5,052,997</u>	<u>\$ 1,125,338</u>

The amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$1,461,702 will be recognized as a reduction of the net pension liability for the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2020	\$ 1,843,584
2021	(168,532)
2022	302,655
2023	<u>488,253</u>
Total	<u>\$ 2,465,960</u>

Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 percent to 9.85 percent, including inflation
Investment rate of return	7.15 percent, net of pension plan investment expense, including inflation

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Mortality rates were based on the RP-2014 Combined Healthy Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on scale BB.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2007 through June 30, 2012. As a result of the 2012 actuarial experience study, the expectation of life after disability was adjusted in the June 30, 2019 actuarial evaluation to more closely reflect actual experience.

Long-term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the current asset allocation percentage and by adding expected price inflation. The long-term expected rates of return are shown in the table below:

Long-term Expected Real Rate of Return		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad Domestic Equity	37.00%	6.20%
International Equity	24.00%	6.33%
Real Estate Related Assets	16.00%	3.32%
Absolute Return	5.00%	3.56%
Domestic Fund	18.00%	1.54%
Total	100.00%	

Discount Rate

In the June 30, 2019 actuarial valuation, a single discount rate of 7.15% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.15%. The projection of cash flows, based on the assumptions made, found that the pension plan's net position was available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15 percent) or 1-percentage-point higher (8.15 percent) than the current rate:

	Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption		
	1% Decrease 6.15%	Current Single Rate Assumption 7.15%	1% Increase 8.15%
City's proportionate share of the net pension liability	\$ 37,910,610	\$ 23,653,470	\$ 11,890,679

Note 8: Other Postemployment Benefits (OPEB)

Plan Description: The City sponsors and administers an informal single-employer defined benefit healthcare plan. Retirees who are vested in their retirement plan and are eligible to receive a retirement benefit (and actually apply for and receive the retirement benefit) are entitled to purchase continued health benefits coverage for the retiree and the retiree's dependents until Medicare eligibility. The City Council has the authority to establish and amend the requirements of this plan. The City does not issue stand-alone financial statements of the healthcare plan but all required information is presented in this report. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB No. 75.

Funding Policy: The contribution requirements of plan members are established by City ordinance and may be amended as needed. Retiree coverage is the same as the coverage provided to active City employees. Retirees pay premiums ranging from \$389.94 per month to \$1,329.35 per month depending on the coverage elected. The City's policy maintains that retirees must pay 100% of the cost of premiums. The cost of retiree healthcare benefits is financed on a pay-as-you-go basis and is recorded as an expense in the applicable fund as liabilities are incurred. There were 20 retirees covered under this plan at December 31, 2019. Dependent coverage was provided for five of the retirees. Total benefits paid by the City for retirees during the fiscal year were \$173,719.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Employees covered by benefit terms – at December 31, 2019, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	20
Inactive plan members entitled to but not receiving benefit payments	-
Active members	<u>475</u>
Total	<u>495</u>

Total OPEB Liability – The City's total OPEB liability of \$6,472,750 was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions: The Total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.26 percent based on the 20 year municipal bond yield from the Bond buyer's index. Prior discount rate was 4.11 percent
Salary increases	3.25 percent
Inflation Rate	2.50 percent
Healthcare Cost Trend Rates	7.5% for 2020 decreasing annual, to ultimate rate of 4.5 percent for 2026
Cost Method	Allocation of Actuarial Present Value of Future Benefits for Services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary were: Service cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefits at retirement; and Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the payroll growth.
Mortality	RPH-2019 Total Dataset Mortality Table fully generational using Scale MP-2019 (RPH-2019 table is created based on RPH Total Dataset Mortality Table with 8 years of MP-2014 mortality improvements backed out, projected to 2019 using MP-2019 improvement.)

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Changes in Total OPEB Liability

Total OPEB Liability

Service Cost	\$	350,443
Interest		227,467
Changes in assumptions		540,922
Differences between expected and actual experience		257,644
Benefit payments		<u>(173,719)</u>
Net change in total OPEB liability		1,202,757
Total OPEB Liability - beginning of year		<u>5,269,993</u>
Total OPEB Liability - end of year	\$	<u>6,472,750</u>

Sensitivity of the Total OPEB Liability to the Discount Rate – The following represents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it was calculated using a discount rate that is 1-percentage-point lower (2.26 percent) or 1-percentage-point higher (4.26 percent) than the current discount rate:

	<u>Sensitivity of the Total OPEB Liability to Changes in the Discount Rate</u>		
	<u>1% Decrease 2.26%</u>	<u>Discount Rate 3.26%</u>	<u>1% Increase 4.26%</u>
Other Postemployment Benefits Liability	\$ <u>7,183,514</u>	\$ <u>6,472,750</u>	\$ <u>5,841,962</u>

Sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rates – The following represents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it was calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost</u>		
	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Other Postemployment Benefits Liability	\$ <u>5,623,199</u>	\$ <u>6,472,750</u>	\$ <u>7,491,000</u>

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - For the year ended December 31, 2019, the City recognized OPEB expense of \$632,174. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 348,464	\$ -
Changes in assumptions	486,830	321,315
Total	<u>\$ 835,294</u>	<u>\$ 321,315</u>

The balances as of December 31, 2019 of the deferred outflows/inflows of resources will be recognized in OPEB expense in the future fiscal years as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost
2020	\$ 54,265
2021	54,265
2022	54,265
2023	54,265
2024	54,265
Thereafter	<u>242,654</u>
Total	<u>\$ 513,979</u>

Note 9: Risk Management

The City has various insurance policies to cover its potential liability risk areas (e.g., automobile, personal property, contents and outside structures and worker's compensation). Coverage is provided both commercially and through the Arkansas Municipal League (AML), which is an association of local governments. AML provides the City with automobile and legal defense coverage. Fixed premiums are set annually by AML based on such factors as claims experience, employee class multipliers and population. For risks covered by AML, the City pays no deductible; however, the City pays a \$2,000 fee to AML for each legal matter it handles. There have been no significant reductions in coverage from 2018 to 2019; nor have settlement amounts exceeded insurance coverage for the current year or the three prior years.

City of Bentonville, Arkansas

Notes to Financial Statements

December 31, 2019

Note 10: Contingencies

The City, its agencies and its employees are defendants in various legal proceedings, many of which normally occur in governmental operations. Such litigation includes, but is not limited to, claims assessed against the City for property damage and personal injury, other alleged torts and alleged violations of state and federal laws. Based on the current status of all of these legal proceedings, it is the opinion of the City Attorney and management that the ultimate outcome will not have a material adverse impact on the City's financial position.

The Northwest Arkansas Conservation Authority (NACA) completed construction of the Little Osage Gravity Sewer line from the NACA regional wastewater treatment facility to the City of Bentonville (City) in 2010. The City incurs all costs associated with operations and maintenance of the line and associated debt payments.

In January 2019, NACA was notified by a third-party engineering firm of significant damage to the Little Osage Gravity Sewer line that serves the City. Significant repairs will need to be made to the existing lines or total replacement will need to be made in order for NACA to continue to serve the City. It is not certain the cost to repair the lines or who the responsible parties will be for the expense. However, the costs could be significant to the City and its ratepayers. NACA will pass any cost incurred by them for which no other source of funding can be obtained on to the City through the billing process.

Note 11: Subsequent Events

Subsequent to year-end, the City purchased the West Plaza building to remodel for future use as the City's Administrative Services building. The City will continue to operate out of the City Hall building until the remodel of the Administrative Services building is complete.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the City. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

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Required Supplementary Information

City of Bentonville, Arkansas
Budgetary Comparison Schedule –
General Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property tax	\$ 5,964,178	\$ 5,964,178	\$ 6,844,685	\$ 880,507
Sales tax	22,579,565	22,579,565	27,274,611	4,695,046
State turnback	1,299,788	1,299,788	1,443,421	143,633
Franchise fees	5,220,141	5,220,141	5,368,133	147,992
Charges for services	6,164,761	6,423,466	6,427,769	4,303
Fines and forfeitures	498,370	498,370	488,999	(9,371)
Licenses and permits	1,237,960	1,237,960	1,805,505	567,545
Grants	240,548	2,492,437	2,119,622	(372,815)
Contributions	19,500	215,729	265,763	50,034
Interest	-	-	496,128	496,128
Miscellaneous	2,756,858	2,808,241	1,246,796	(1,561,445)
Total revenues	45,981,669	48,739,875	53,781,432	5,041,557
Expenditures				
Current				
General government	8,302,829	8,450,456	7,515,045	935,411
Public safety	21,926,250	22,155,660	21,730,128	425,532
Recreation	9,259,441	10,220,355	9,582,308	638,047
Library	1,760,602	1,777,102	1,609,734	167,368
Capital outlay	7,994,875	26,537,022	14,368,961	12,168,061
Total expenditures	49,243,997	69,140,595	54,806,176	14,334,419
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,262,328)</u>	<u>(20,400,720)</u>	<u>(1,024,744)</u>	<u>19,375,976</u>
Other Financing Sources				
Sale of capital assets	-	-	3,769,638	3,769,638
Transfers in	1,800,000	3,827,849	3,753,562	(74,287)
Transfers out	-	(451,400)	(451,400)	-
Total other financing sources	1,800,000	3,376,449	7,071,800	3,695,351
Net Change in Fund Balances	(1,462,328)	(17,024,271)	6,047,056	23,071,327
Fund Balances, Beginning of Year	54,490,266	54,490,266	54,490,266	-
Fund Balances, End of Year	<u>\$ 53,027,938</u>	<u>\$ 37,465,995</u>	<u>\$ 60,537,322</u>	<u>\$ 23,071,327</u>

City of Bentonville, Arkansas
Budgetary Comparison Schedule –
Street Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property tax	\$ 1,888,308	\$ 1,888,308	\$ 2,128,393	\$ 240,085
Sales Tax	-	-	-	-
State turnback	2,429,581	2,429,581	2,564,003	134,422
Charges for services	27,000	27,000	31,453	4,453
Licenses and permits	-	-	14,100	14,100
Grants	-	4,723,657	542,505	(4,181,152)
Contributions	-	15,000	15,000	-
Interest	-	-	40,363	40,363
Miscellaneous	-	12,118	35,405	23,287
Total revenues	4,344,889	9,095,664	5,371,222	(3,724,442)
Expenditures				
Current:				
Street department	3,426,889	4,062,168	2,520,796	1,541,372
Capital outlay	918,000	6,771,841	2,566,232	4,205,609
Total expenditures	4,344,889	10,834,009	5,087,028	5,746,981
Excess (Deficiency) of Revenues Over Expenditures	-	(1,738,345)	284,194	2,022,539
Other Financing Sources				
Transfers in	-	451,400	1,768,374	1,316,974
Total other financing sources	-	451,400	1,768,374	1,316,974
Net Change in Fund Balances	-	(1,286,945)	2,052,568	3,339,513
Fund Balances, Beginning of Year	3,388,221	3,388,221	3,388,221	-
Fund Balances, End of Year	\$ 3,388,221	\$ 2,101,276	\$ 5,440,789	\$ 3,339,513

City of Bentonville, Arkansas
Retiree Healthcare Plan
Schedule of the City's Changes in Total OPEB Liability and Related Ratios

Total OPEB Liability	2019	2018
Service cost	\$ 350,443	\$ 340,441
Interest	227,467	185,817
Differences between expected and actual experience	257,644	145,729
Changes of assumptions or other inputs	540,922	(401,643)
Benefit payments	(173,719)	(122,045)
Net change in total OPEB liability	1,202,757	148,299
Total OPEB liability - beginning	5,269,993	5,121,694
Total OPEB liability - ending	\$ 6,472,750	\$ 5,269,993
Covered-employee payroll	\$ 27,868,664	\$ 24,500,575
Total OPEB liability as a percentage of covered-employee payroll	23.2%	21.5%

Notes to Schedule:

No assets accumulated in a trust that meets the criteria of paragraph 4 of GASB No. 75.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 75, the City will only present available information.

City of Bentonville, Arkansas
Agent Multiple-Employer Plan
Schedule of Changes in the City's Net Pension Asset and Related Ratios - FRPF

Fiscal Year Ended December 31,	2019	2018	2017	2016	2015
Total Pension Liability					
Interest	\$ 405,456	\$ 429,845	\$ 437,660	\$ 466,923	\$ 398,688
Difference between actual and expected experience	51,252	(192,297)	219,904	(60,276)	804,333
Assumption Changes	-	417,704	-	132,682	-
Benefit payments	(403,429)	(415,392)	(1,101,418)	(355,876)	(344,268)
Net Change in Total Pension Liability	53,279	239,860	(443,854)	183,453	858,753
Total Pension Liability - Beginning	5,993,940	5,754,080	6,197,934	6,014,481	5,155,728
Total Pension Liability - Ending (a)	\$ 6,047,219	\$ 5,993,940	\$ 5,754,080	\$ 6,197,934	\$ 6,014,481
Plan Fiduciary Net Position					
Contributions - employer	\$ 13,795	\$ (62,065)	\$ 21,017	\$ 16,427	\$ 15,135
Contributions - Employee	-	-	37,908	-	-
Net investment income	(218,852)	993,670	441,257	14,939	581,099
Local plan administrative mergers	10	-	-	-	-
Benefit payments	(403,429)	(415,392)	(1,101,418)	(355,876)	(344,268)
Administrative Expense	(14,510)	(12,739)	(14,488)	(18,669)	(13,808)
Net Change in Plan Fiduciary Net Position	(622,986)	503,474	(615,724)	(343,179)	238,158
Plan Fiduciary Net Position - Beginning	7,876,894	7,373,420	7,989,144	8,332,323	8,094,165
Plan Fiduciary Net Position - Ending (b)	\$ 7,253,908	\$ 7,876,894	\$ 7,373,420	\$ 7,989,144	\$ 8,332,323
City's Net Pension Asset (a) - (b)	\$ (1,206,689)	\$ (1,882,954)	\$ (1,619,340)	\$ (1,791,210)	\$ (2,317,842)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	119.95%	131.41%	128.14%	128.90%	138.54%
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -
City's Net Pension Asset as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

Note: Information in this schedule has been determined as of the measurement date (December 31 of the year prior to the most recent fiscal year-end) of the City's net pension liability.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

City of Bentonville, Arkansas
Agent Multiple-Employer Plan
Schedule of Contributions - FRPF

FY Ended December 31,	Actuarially Determined Contribution (ADC)	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$ -	\$ -	\$ -	\$ -	N/A
2016	-	-	-	-	N/A
2017	-	-	-	-	N/A
2018	-	-	-	-	N/A
2019	-	-	-	-	N/A

Key Assumptions for ADC:

Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization	12 Years beginning January 1, 2018
Asset Valuation	5 Year Smoothed Market, 20% Soft Corridor
Inflation	2.75%
Salary Increases	N/A
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility benefits. Last updated for the 2012 pursuant to an experience study of the period 2008 - 2011.
Mortality	RP2000 Combined Mortality Table, projected to 2017 and set forward two years for men. For disabled lives, the mortality rates are applicable to non-disabled lives set forward 10 years.

Note: Information in this schedule has been determined as of the City's most recent fiscal year-end.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

City of Bentonville, Arkansas
Cost-Sharing Plan
Schedule of the City's Proportionate Share of the Net Pension Liability - LOPFI

City Fiscal year ended December 31,	2019	2018	2017	2016	2015
City's proportion of the net pension liability	2.734230%	2.712000%	2.642620%	2.540250%	2.492571%
City's proportionate share of the net pension liability	\$ 24,673,203	\$ 19,271,356	\$ 15,076,984	\$ 13,330,612	\$ 9,023,336
City's covered payroll	\$ 10,212,486	\$ 9,330,536	\$ 8,004,748	\$ 7,951,238	\$ 6,953,609
City's proportionate share of the net pension liability as a percentage of its covered payroll	241.60%	206.54%	188.35%	167.65%	129.70%
Plan fiduciary net position as a percentage of the total pension liability	66.09%	71.48%	72.87%	72.92%	79.14%

Note: Information in this schedule has been determined as of the measurement date (December 31 of the year prior to the most recent fiscal year-end) of the City's net pension liability.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

City of Bentonville, Arkansas
Cost-Sharing Plan
Schedule of City Contributions - LOPFI

<u>City Fiscal year ended December 31,</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,399,934	\$ 2,135,877	\$ 1,940,202	\$ 1,684,557	\$ 1,639,457
Contributions in relation to the contractually required contribution	<u>(2,399,934)</u>	<u>(2,135,877)</u>	<u>(1,940,202)</u>	<u>(1,684,557)</u>	<u>(1,639,457)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 10,212,486	\$ 9,330,536	\$ 8,798,931	\$ 8,004,748	\$ 7,951,239
Contributions as a percentage of covered payroll	23.50%	22.89%	22.05%	21.04%	20.62%

Note: Information in this schedule has been determined as of the City's most recent fiscal year-end.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

City of Bentonville, Arkansas
Cost-Sharing Plan
Schedule of the City's Proportionate Share of the Net Pension Liability - APERS

<u>City Fiscal year ended December 31,</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	0.98044303%	0.92204720%	0.89669761%	0.82968373%	0.80078759%
City's proportionate share of the net pension liability	\$ 23,653,470	\$ 20,339,762	\$ 23,171,926	\$ 19,840,626	\$ 14,748,372
City's covered payroll	\$ 18,771,454	\$ 17,534,429	\$ 16,818,306	\$ 14,261,744	\$ 14,277,688
City's proportionate share of the net pension liability as a percentage of its covered payroll	126.01%	116.00%	137.78%	139.12%	103.30%
Plan fiduciary net position as a percentage of the total pension liability	78.55%	79.59%	75.65%	75.50%	80.39%

Note: Information in this schedule has been determined as of the measurement date (June 30 of the year of the most recent fiscal year-end) of the City's net pension liability.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

City of Bentonville, Arkansas
Cost-Sharing Plan
Schedule of City Contributions - APERS

City Fiscal year ended December 31,	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,875,787	\$ 2,636,432	\$ 2,444,877	\$ 2,260,596	\$ 2,224,163
Contributions in relation to the contractually required contribution	<u>(2,875,787)</u>	<u>(2,636,432)</u>	<u>(2,444,877)</u>	<u>(2,260,596)</u>	<u>(2,224,163)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 18,771,454	\$ 17,534,429	\$ 16,714,991	\$ 15,590,294	\$ 15,208,940
Contributions as a percentage of covered payroll	15.32%	15.04%	14.63%	14.50%	14.62%

Note: Information in this schedule has been determined as of the City's most recent fiscal year-end.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

City of Bentonville, Arkansas
Notes to Required Supplementary Information
December 31, 2019

Budgets and Budgetary Accounting

The City Council (the "Council") adheres to the following procedures in establishing the budgets reflected in the accompanying general purpose financial statements:

1. Prior to December 1, the Mayor and Finance Director submit to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at City Hall to obtain taxpayer comments.
3. Prior to February 1, the budget is legally enacted through approval by the Council.
4. Budget for the general and street funds are adopted on a basis consistent, in all material respects, with accounting principles generally accepted in the United States of America ("GAAP").

Budgeted revenues and expenditures represent the formal operating budget adopted by the City Council, as amended by the Council during the year. Budgetary control is maintained at the department level. Budgeted amounts, other than ongoing capital projects not spent by year end, lapse. Expenditures greater than budgeted amounts must be approved by the Council by voting to amend the budget.

Pensions

FRPF

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Individual Entry-Age Nominal
Amortization Method	Closed Amortization Period based on projected future payroll
Remaining Amortization Period	12 years beginning January 1, 2018
Asset Valuation Method	5-Year smoothed market, 20% corridor (for funding purposes)
Price Inflation	2.75%
Salary Increases	3.75%, which is the portion of the individual pay increase assumptions attributable to wage inflation
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2008-2011.
Mortality	RP-2000 Combined Mortality table, projected to 2017 and set forward two years for men. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes	There were no benefit changes during the year.
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City of Bentonville, Arkansas
Notes to Required Supplementary Information (Continued)
December 31, 2019

LOPFI

Economic Assumptions

Investment Rate of Return	7.75% per year, compounded annually (net after administrative expenses). This rate of return is not the assumed real rate of return. The real rate of return is defined to be the portion of investment return which is more than the wage inflation rate. With a 3.75% recognition of wage inflation, the 7.75% investment return rate translates to an assumed real rate of return of 4.00%.
Price Inflation	2.75%
Pay Increase Assumptions	Ranges from 4.25% to 18.75% depending on service years, including 3.75% for wage inflation.
Total Active Member Payroll	Assumed to increase 3.75% per year, which is the portion of the individual pay increase assumptions attributable to wage inflation.
Total Number of Active Members	Assumed to continue at the present number.

APERS

Investment Rate of Return	7.15% per year, compounded annually (net after administrative expenses). This rate of return is not the assumed real rate of return. The real rate of return is defined to be the portion of investment return which is more than the wage inflation rate. With a 3.25% recognition of wage inflation, the 7.15% investment return rate translates to an assumed real rate of return of 4.15%.
Pay Increase Assumptions	Ranges from 3.25% to 9.85% depending on service years, including 3.25% for wage inflation.
Total Active Member Payroll	Assumed to increase 3.25% per year, which is the portion of the individual pay increase assumptions attributable to wage inflation.
Total Number of Active Members	Assumed to continue at the present number.

**Combining and Individual Fund
Financial Statements and Schedules**

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City of Bentonville, Arkansas
Combining Balance Sheet – Nonmajor Governmental Funds
December 31, 2019

	Impact & Capacity	Court	Total Nonmajor Governmental Funds
Assets			
Accounts receivable:			
Grants and other	\$ -	\$ 7,940	\$ 7,940
Restricted assets			
Cash and cash equivalents	<u>5,978,017</u>	<u>301,208</u>	<u>6,279,225</u>
Total assets	<u>\$ 5,978,017</u>	<u>\$ 309,148</u>	<u>\$ 6,287,165</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ 116,686	\$ 116,686
Due to other funds	-	-	-
Due to other governments	<u>-</u>	<u>192,462</u>	<u>192,462</u>
Total liabilities	<u>-</u>	<u>309,148</u>	<u>309,148</u>
Fund balances			
Restricted			
New growth	<u>5,978,017</u>	<u>-</u>	<u>5,978,017</u>
Total fund balances	<u>5,978,017</u>	<u>-</u>	<u>5,978,017</u>
Total liabilities and fund balances	<u>\$ 5,978,017</u>	<u>\$ 309,148</u>	<u>\$ 6,287,165</u>

City of Bentonville, Arkansas
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances –
Nonmajor Governmental Funds
Year Ended December 31, 2019

	Impact/Capacity Fees	Court	Nonmajor Governmental Funds
Revenues			
Impact fees	\$ 4,119,459	\$ -	\$ 4,119,459
Interest	<u>40,021</u>	<u>-</u>	<u>40,021</u>
Total revenues	<u>4,159,480</u>	<u>-</u>	<u>4,159,480</u>
Other Financing Sources (Uses)			
Transfers out	<u>(3,753,562)</u>	<u>-</u>	<u>(3,753,562)</u>
Net Other Financing Sources (Uses)	<u>(3,753,562)</u>	<u>-</u>	<u>(3,753,562)</u>
Net Change in Fund Balances	405,918	-	405,918
Fund Balances at Beginning of Year	<u>5,572,099</u>	<u>-</u>	<u>5,572,099</u>
Fund Balances at End of Year	<u>\$ 5,978,017</u>	<u>\$ -</u>	<u>\$ 5,978,017</u>

City of Bentonville, Arkansas
Schedule of Revenues, Expenditures and
Changes in Fund Balances – Budget and Actual –
Debt Service Fund
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues				
Sales tax	\$ 10,000,000	\$ 10,000,000	\$ 12,380,336	\$ 2,380,336
Interest	-	-	167,632	167,632
Total revenues	10,000,000	10,000,000	12,547,968	2,547,968
Expenditures				
Principal	10,000,000	10,000,000	11,505,000	(1,505,000)
Interest	-	-	1,929,130	(1,929,130)
Total expenditures	10,000,000	10,000,000	13,434,130	(3,434,130)
Deficiency of Revenues Over Expenditures	-	-	(886,162)	(886,162)
Net Change in Fund Balances	-	-	(886,162)	(886,162)
Fund Balances at Beginning of Year	8,285,673	8,285,673	8,285,673	-
Fund Balances at End of Year	\$ 8,285,673	\$ 8,285,673	\$ 7,399,511	\$ (886,162)

City of Bentonville, Arkansas
Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual –
Impact/Capacity Fees
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues				
Impact fees	\$ 1,785,000	\$ 1,785,000	\$ 4,119,459	\$ 2,334,459
Interest	-	-	40,021	40,021
Total revenues	1,785,000	1,785,000	4,159,480	2,374,480
EXPENDITURES				
Current:				
Public safety	800,000	800,000	-	(800,000)
Recreation	300,000	300,000	-	(300,000)
Total expenditures	1,100,000	1,100,000	-	(1,100,000)
Excess of revenues over (under) expenditures	685,000	685,000	4,159,480	3,474,480
Other Financing Sources (Uses)				
Transfers out	-	-	(3,753,562)	(3,753,562)
Net other financing sources (uses)	-	-	(3,753,562)	(3,753,562)
Net Change in Fund Balances	685,000	685,000	405,918	(279,082)
Fund Balances at Beginning of Year	5,572,099	5,572,099	5,572,099	-
Fund Balances at End of Year	\$ 6,257,099	\$ 6,257,099	\$ 5,978,017	\$ (279,082)

City of Bentonville, Arkansas
Combining Statement of Revenues and Expenses –
Enterprise Fund
Year Ended December 31, 2019

	Electric	Water	Wastewater	Sanitation	Support Services and Other	Total
Operating Revenues						
Charges for services	\$ 70,130,327	\$ 11,051,288	\$ 14,516,790	\$ 5,397,459	\$ 594,274	\$ 101,690,138
Other, net	78,379	17,121	9,259	-	55,306	160,065
Total operating revenues	70,208,706	11,068,409	14,526,049	5,397,459	649,580	101,850,203
Operating Expenses						
Salaries and fringe benefits	5,307,034	2,258,929	2,931,261	172,294	1,590,786	12,260,304
Contract purchases	46,620,073	5,595,129	5,316,167	4,913,131	-	62,444,500
Maintenance	608,134	429,607	410,805	-	85,583	1,534,129
Depreciation and amortization	2,981,115	1,792,657	2,052,827	-	601,838	7,428,437
Materials and supplies	719,468	235,321	466,579	-	238,295	1,659,663
Other services and charges	3,819,730	697,526	1,034,133	23,762	1,004,738	6,579,889
Total operating expenses	60,055,554	11,009,169	12,211,772	5,109,187	3,521,240	91,906,922
Operating Income (Loss)	10,153,152	59,240	2,314,277	288,272	(2,871,660)	9,943,281
Nonoperating Income (Expenses)						
Interest income	227,291	34,638	17,039	10,306	-	289,274
Bond interest and fiscal agent charges	(37,901)	(194,888)	(70,641)	-	-	(303,430)
Gain on sales of capital assets	44,780	5,242	(25,961)	-	-	24,061
Net non-operating revenues (expenses)	234,170	(155,008)	(79,563)	10,306	-	9,905
Income (Loss) Before Contributions and Transfers	10,387,322	(95,768)	2,234,714	298,578	(2,871,660)	9,953,186
Capital Contributions	346,907	1,361,572	724,384	-	-	2,432,863
Change in Net Position	<u>\$ 10,734,229</u>	<u>\$ 1,265,804</u>	<u>\$ 2,959,098</u>	<u>\$ 298,578</u>	<u>\$ (2,871,660)</u>	<u>\$ 12,386,049</u>

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Statistical Section

City of Bentonville, Arkansas

Statistical Section

This section of the City of Bentonville, Arkansas comprehensive annual financial report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information reflects about the City's overall financial health.

Contents

Financial Trends (Tables 1–6)

These schedules contain trend information to assist the reader in understanding how the City's financial performance and well-being have changed over time 75

Revenue Capacity (Tables 7–9)

These schedules contain information to help the reader assess the City's most significant revenue resources, local sales taxes and property taxes..... 82

Debt Capacity (Tables 10–12)

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future 86

Demographic and Economic Information (Tables 13–14)

These schedules offer demographic and economic indicators to assist the reader in understanding the environment within which the City's financial activities take place 91

Operating Information (Tables 15–20)

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to services the City provides and the activities it performs 93

City of Bentonville, Arkansas
Net Position by Component
Last Ten Years
(Accrual Basis of Accounting)

Table 1

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
Net investment in capital assets	\$ 252,689,293	\$ 232,185,202	\$ 214,744,281	\$ 195,975,422	\$ 177,894,726	\$ 162,543,988	\$ 145,403,467	\$ 141,834,069	\$ 138,347,033	\$ 134,624,378
Restricted	21,881,884	20,794,051	19,818,040	16,806,936	20,714,460	19,104,839	14,783,330	13,317,046	11,787,280	6,673,944
Unrestricted	34,860,246	32,844,983	34,279,668	27,897,280	24,192,710	37,569,895	41,833,773	34,369,973	30,004,365	31,999,744
Total governmental activities net position	\$ 309,431,423	\$ 285,824,236	\$ 268,841,989	\$ 240,172,638	\$ 222,801,896	\$ 219,218,322	\$ 209,020,470	\$ 189,521,088	\$ 180,138,778	\$ 177,698,066
Business-type activities										
Net investment in capital assets	\$ 202,310,382	\$ 196,638,875	\$ 190,003,709	\$ 177,472,573	\$ 161,108,420	\$ 155,815,515	\$ 145,769,235	\$ 140,507,220	\$ 131,135,584	\$ 122,229,803
Restricted	2,100,656	2,903,653	2,869,343	2,778,744	6,416,985	8,973,505	8,954,000	6,990,745	9,088,735	8,666,486
Unrestricted	39,018,895	32,421,266	26,076,418	28,422,793	31,495,140	28,384,643	26,098,889	23,680,469	22,737,659	24,109,830
Total business-type activities net position	\$ 244,349,943	\$ 231,963,794	\$ 218,949,470	\$ 208,684,110	\$ 199,020,545	\$ 191,173,663	\$ 180,821,274	\$ 171,178,434	\$ 162,961,778	\$ 154,806,119
Primary government										
Net investment in capital assets	\$ 454,999,675	\$ 428,824,077	\$ 404,747,990	\$ 373,452,995	\$ 339,003,146	\$ 318,359,503	\$ 291,172,702	\$ 282,341,289	\$ 269,482,617	\$ 256,854,181
Restricted	23,983,540	23,697,704	22,687,383	19,790,686	27,131,445	28,088,344	23,737,332	20,307,791	18,876,015	15,340,430
Unrestricted	74,292,051	65,266,249	60,556,086	53,825,073	53,687,150	63,954,338	67,932,362	58,050,442	52,241,824	55,509,574
Total primary government net position	\$ 553,275,266	\$ 517,788,030	\$ 487,991,459	\$ 448,857,748	\$ 421,822,441	\$ 410,391,885	\$ 382,842,294	\$ 360,699,522	\$ 343,100,556	\$ 327,104,185

City of Bentonville, Arkansas
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

Table 2

Expenses	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities										
General government	\$ 11,242,376	\$ 8,199,650	\$ 8,180,920	\$ 7,818,616	\$ 7,189,267	\$ 4,878,233	\$ 6,541,996	\$ 6,664,188	\$ 5,772,537	\$ 5,518,930
Public safety	32,445,435	26,167,435	22,149,435	19,235,435	18,579,435	17,542,435	16,542,435	15,542,435	14,542,435	13,542,435
Recreation	11,688,261	10,579,460	10,235,180	9,526,620	7,669,788	7,427,250	5,023,191	4,526,151	3,973,104	3,294,000
Transportation	9,571,784	8,860,453	8,523,377	7,566,435	7,405,637	7,427,251	6,997,032	6,234,879	6,007,845	5,568,277
Library	1,887,076	1,765,524	1,688,914	1,562,475	1,372,391	1,305,710	1,182,469	1,071,172	1,009,643	947,563
CDBG	-	184	1,147	46,716	81,941	134,825	118,621	158,849	90,782	165,551
Interest on long-term debt	1,929,130	2,297,161	2,352,178	2,871,178	2,271,457	2,462,432	2,659,613	2,783,466	2,923,279	2,951,419
Total governmental activities expenses	\$3,720,079	\$6,648,619	\$3,480,784	\$8,458,440	\$4,518,268	\$1,018,452	\$8,858,599	\$5,766,244	\$3,921,065	\$1,790,548
Business-type activities										
Electric	60,091,455	59,645,784	60,318,959	59,866,230	54,031,467	53,015,465	45,660,369	45,627,215	45,415,606	39,743,457
Water	15,542,435	15,542,435	15,542,435	15,542,435	15,542,435	15,542,435	15,542,435	15,542,435	15,542,435	15,542,435
Wastewater	9,372,800	9,372,800	9,372,800	9,372,800	9,372,800	9,372,800	9,372,800	9,372,800	9,372,800	9,372,800
Sanitation	5,105,186	4,624,340	4,197,480	3,891,758	3,614,576	3,346,112	3,081,532	3,966,186	4,057,621	3,816,861
Support	3,521,229	3,456,000	3,745,763	3,268,751	3,172,472	3,011,664	2,920,570	2,999,556	2,332,157	2,220,225
Total business-type activities expenses	\$9,210,350	\$9,650,975	\$9,435,963	\$9,483,212	\$9,545,318	\$7,824,727	\$9,937,951	\$9,386,623	\$9,161,595	\$9,692,802
Total primary government	\$15,930,429	\$16,299,594	\$12,916,747	\$17,941,652	\$14,063,586	\$8,843,179	\$18,796,550	\$15,152,867	\$13,082,661	\$11,483,350
Program Revenues										
Governmental activities										
Charter for services	\$ 3,312,206	\$ 2,640,326	\$ 411,878	\$ 111,264	\$ 115,176	\$ 311,698	\$ 281,608	\$ 352,081	\$ 231,482	\$ 139,467
Charter for public safety	2,762,512	2,537,012	1,778,566	1,237,968	1,260,881	1,272,111	1,120,967	1,045,858	1,014,482	861,277
Charter for recreation	5,781,222	4,595,838	3,568,737	3,269,930	2,221,136	979,807	817,841	670,083	442,977	229,562
Charter for transportation	2,779,690	958,771	33,259	64,379	39,640	64,336	89,365	55,318	31,563	57,514
Charter for library	58,892	54,224	9	-	-	-	-	-	-	-
Charter for CDBG	666,682	3,499,266	5,402,448	7,445,636	4,924,083	2,499,028	1,428,695	1,281,971	1,564,379	1,465,405
Charter for interest on long-term debt	5,029,831	5,033,182	5,499,922	6,229,460	5,429,829	5,273,121	5,428,126	5,273,121	5,428,126	5,428,126
Total governmental activities revenue	\$20,326,345	\$19,689,152	\$17,164,400	\$17,516,717	\$12,198,109	\$8,913,631	\$8,125,652	\$5,304,936	\$4,868,653	\$6,518,191
Business-type activities										
Charter for electric	70,110,577	68,484,676	66,007,652	62,539,169	58,732,316	56,079,341	51,351,834	51,001,844	49,174,616	45,658,540
Charter for water	11,074,498	11,603,640	10,625,553	10,185,022	9,459,435	9,446,831	9,546,831	9,998,422	9,149,256	8,475,591
Charter for wastewater	14,493,682	13,870,399	13,379,032	13,280,744	14,457,739	13,813,393	12,769,425	11,037,798	10,662,350	8,412,189
Charter for sanitation	5,397,459	4,969,400	4,581,853	4,261,907	3,999,322	3,652,888	3,360,391	4,181,792	4,322,473	4,025,999
Charter for support	631,512	987,220	929,581	887,122	875,159	844,417	815,528	809,887	862,697	854,394
Charter for CDBG	16,542,435	16,542,435	16,542,435	16,542,435	16,542,435	16,542,435	16,542,435	16,542,435	16,542,435	16,542,435
Total business-type activities revenue	\$108,162,591	\$107,226,369	\$102,965,921	\$92,495,164	\$88,556,169	\$86,695,925	\$78,766,343	\$77,640,694	\$76,456,148	\$68,361,455
Total primary government	\$124,488,936	\$123,915,921	\$119,780,321	\$109,991,881	\$100,754,278	\$87,518,556	\$87,091,995	\$82,945,630	\$81,344,800	\$74,876,646
Net (expense) revenue	\$ (43,393,841)	\$ (16,959,467)	\$ (16,336,384)	\$ (10,941,723)	\$ (32,320,159)	\$ (8,164,421)	\$ (10,532,947)	\$ (30,461,308)	\$ (29,112,414)	\$ (25,275,357)
Governmental activities	\$ 11,552,241	\$ 12,575,941	\$ 9,228,568	\$ 8,011,852	\$ 9,010,851	\$ 3,781,198	\$ 8,282,292	\$ 7,254,065	\$ 5,274,553	\$ 8,869,253
Business-type activities	\$ (31,441,593)	\$ (24,884,071)	\$ (27,164,952)	\$ (24,929,771)	\$ (23,309,308)	\$ (12,333,623)	\$ (21,708,659)	\$ (23,207,242)	\$ (23,837,861)	\$ (16,406,104)

City of Bentonville, Arkansas
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

Table 2

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General revenues and other changes in net position										
Governmental activities										
Revenue items	\$ 6,417,016	\$ 8,416,599	\$ 8,424,975	\$ 7,757,746	\$ 7,045,666	\$ 7,150,970	\$ 6,419,035	\$ 5,511,493	\$ 5,071,359	\$ 4,694,606
Sales taxes	3,648,447	35,793,219	37,661,032	30,127,128	20,485,234	26,355,379	26,320,275	24,481,858	21,652,291	21,145,336
State transfer	3,061,251	2,541,105	2,661,543	2,756,743	2,703,536	2,235,749	2,633,139	2,719,318	2,706,233	2,415,801
Franchise fees	5,368,133	5,652,266	5,351,261	4,788,566	4,599,120	4,477,679	4,162,269	3,991,699	4,356,945	4,054,694
Investment income	1,178,651	820,608	223,696	612,552	38,664	141,245	40,857	35,717	31,345	84,927
Gain on sales of capital assets	3,969,638	39,540	(20,342)	271,332	187,597	(1,477,333)	333,616	270,237	61,830	41,000
Transfers in	-	(121,360)	-	(6,284,893)	62,465,023	620,544	130,431	(472,314)	(1,371,949)	(1,095,983)
Other	4,370,566	2,724,433	10,671,020	5,264,255	5,091,549	8,110,368	4,817,017	3,204,970	3,119,410	2,870,497
Special items - transfer of net position asset	-	-	-	-	-	-	1,453,347	-	-	-
Total governmental activities	67,031,021	56,762,310	65,004,235	48,133,465	47,737,054	47,302,573	46,563,121	39,843,618	36,533,176	35,453,336
Business-type activities										
Investment income	289,274	132,581	41,398	36,425	36,685	25,113	32,208	32,752	32,264	90,037
Gain on sales of capital assets	24,601	-	272,256	634,633	266,613	448,502	-	-	-	-
Transfers in	-	-	-	2,784,199	2,465,032	263,544	203,430	472,314	1,271,549	1,095,980
Other	130,673	811,872	73,128	275,564	1,435,528	832,274	415,329	457,024	872,613	1,884,401
Total business-type activities	433,668	1,066,864	3,087,632	3,651,613	4,187,368	1,570,741	814,989	962,900	2,281,436	3,073,451
Total primary government	\$ 67,464,689	\$ 57,829,174	\$ 68,091,867	\$ 51,785,078	\$ 51,924,422	\$ 48,873,314	\$ 47,378,110	\$ 40,806,518	\$ 38,814,612	\$ 38,526,787
Total change in net position	\$ 23,607,487	\$ 19,802,863	\$ 28,664,331	\$ 37,371,742	\$ 15,416,638	\$ 17,197,582	\$ 15,741,176	\$ 9,382,310	\$ 7,440,712	\$ 10,175,979
Governmental activities	12,386,648	13,644,198	15,253,560	5,063,583	13,098,195	10,331,835	9,643,280	8,316,666	8,556,639	11,643,676
Business-type activities	\$ 11,220,839	\$ 6,158,665	\$ 13,410,771	\$ 32,308,159	\$ 2,318,443	\$ 6,865,747	\$ 6,097,896	\$ 1,065,644	\$ -815,927	\$ -1,467,697
Total - primary government	\$ 23,607,487	\$ 19,802,863	\$ 28,664,331	\$ 37,371,742	\$ 15,416,638	\$ 17,197,582	\$ 15,741,176	\$ 9,382,310	\$ 7,440,712	\$ 10,175,979

City of Bentonville, Arkansas
Fund Balances - Governmental Funds
Last Ten Years
(Accrual Basis of Accounting)

Table 3

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General fund										
Nonspendable										
Prepaid expenditures										
Restricted										
General capital improvements	\$ 259,023	\$ 224,713	\$ 195,664	\$ 276,989	\$ 79,621	\$ 196,545	\$ 196,544	\$ 40,647	\$ 59,926	\$ -
Other	2,202,079	2,169,461	-	631,806	211,073	344,089	202,710	222,935	310,626	-
Other	85,035	457,250	-	358,250	84,490	84,450	84,406	84,259	82,634	-
Unassigned	57,991,185	51,638,842	48,453,612	38,160,366	34,229,888	32,846,738	36,961,000	28,357,600	23,236,592	-
Reserved	-	-	-	-	-	-	-	-	-	427,597
Unreserved	-	-	-	-	-	-	-	-	-	19,142,196
Total general fund	60,573,322	54,492,266	48,648,676	39,427,411	34,694,272	33,371,822	37,444,660	28,706,441	23,879,738	19,569,793
All other governmental funds										
Nonspendable										
Prepaid expenditures										
Restricted	642	550	1,225	1,275	1,336	1,275	1,344	1,364	1,023	-
Police service	7,399,511	8,285,673	8,486,688	5,475,360	5,346,817	4,846,568	4,426,120	4,567,671	4,257,656	-
General capital improvements	21,530,144	23,649,222	29,016,117	1,827,388	7,462,024	8,620,560	10,839,800	14,028,649	31,897,513	-
New growth	5,978,017	5,572,099	4,480,177	1,993,901	2,811,377	3,896,369	3,742,765	2,542,808	1,664,039	-
Street improvements	5,440,147	3,387,671	4,836,116	7,064,321	10,369,831	10,792,880	6,794,250	6,384,472	6,055,452	-
Reserved	-	-	-	-	-	-	-	-	-	46,140,377
Unreserved	-	-	-	-	-	-	-	-	-	5,497,642
Total all other governmental funds	40,348,461	40,892,215	46,821,022	16,088,845	25,934,385	28,308,599	29,804,279	27,234,855	43,479,680	51,638,039
Total governmental funds	\$ 100,921,783	\$ 95,384,481	\$ 95,469,698	\$ 55,516,256	\$ 60,628,657	\$ 61,680,421	\$ 67,248,939	\$ 55,941,296	\$ 67,359,418	\$ 71,207,832

The City of Bentonville adopted GASB 54 for fiscal year ending 12/31/2011. In the schedule above all years prior to 2011 are stated in its original form and therefore are not directly comparable to 2011 or later.

City of Bentonville, Arkansas Changes in Fund Balances – Governmental Funds Last Ten Years (Modified Accrual Basis of Accounting)

Table 4

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Property tax	8,973,078	\$ 8,277,403	\$ 7,852,968	\$ 7,155,619	\$ 7,082,789	\$ 6,944,206	\$ 6,272,529	\$ 5,967,805	\$ 6,110,288	\$ 5,975,569
Sales tax	39,654,947	35,758,719	37,651,852	30,117,108	29,458,234	26,381,529	26,320,374	24,481,899	21,639,791	21,380,523
State taxback	4,007,424	3,843,744	2,851,363	2,756,242	2,703,936	2,758,749	2,653,139	2,719,518	2,706,724	2,542,152
Franchise fees	4,119,459	2,291,272	3,325,568	1,861,178	2,380,435	1,667,956	1,908,400	1,551,223	1,447,588	1,539,823
Transfer fees	5,368,133	5,653,246	5,351,361	4,788,966	4,599,120	4,477,979	4,166,269	3,991,999	4,396,545	4,056,604
Charges for services	6,459,222	6,099,014	5,691,285	5,143,334	3,837,133	2,627,452	2,311,781	2,034,240	1,740,604	1,758,419
Fines and forfeitures	488,999	695,928	498,991	511,851	479,057	477,741	466,573	544,725	369,467	410,873
Licenses and permits	1,819,605	1,752,257	1,370,136	1,322,683	1,133,957	1,152,363	896,757	868,393	599,898	425,822
Grants	2,662,127	4,214,651	4,412,572	7,433,636	4,858,773	2,677,432	1,680,257	1,263,663	1,470,527	1,866,727
Contributions	280,763	1,126,912	2,212,553	3,594,921	1,251,106	3,163,948	3,201,581	253,238	323,114	1,202,402
Interest	1,178,951	820,608	225,370	61,932	38,677	141,245	40,857	35,717	31,345	85,067
Miscellaneous	1,287,201	816,284	5,441,919	1,569,948	1,979,200	4,791,275	1,557,194	794,463	638,501	476,019
Total revenues	76,394,009	71,250,038	76,887,138	66,317,438	59,804,417	57,264,075	51,475,211	44,697,203	41,483,762	41,720,000
Expenditures										
Current:										
General government	7,515,045	6,833,349	6,694,940	6,663,862	6,385,081	6,097,814	5,525,445	5,406,881	5,126,855	5,047,266
Public safety	21,730,128	20,392,788	18,587,838	17,146,737	16,769,992	15,561,689	14,680,152	13,477,896	12,718,692	12,297,847
Recreation	9,582,308	8,307,693	8,163,683	7,252,049	6,009,329	4,600,727	4,077,746	3,684,363	3,253,297	2,720,375
Street Department	2,520,796	2,665,820	2,553,724	2,467,752	2,376,856	2,603,155	2,323,942	1,869,135	1,937,005	1,836,029
Library	1,609,734	1,449,844	1,386,429	1,256,940	1,168,999	1,108,606	983,062	895,126	854,923	830,120
CDBO	-	184	7,147	46,716	81,941	136,823	118,021	158,449	90,782	165,751
Capital outlay	18,172,104	19,995,607	14,914,239	24,889,343	17,102,620	22,341,166	8,566,666	22,666,009	13,188,720	22,989,044
Debt service	11,516,930	9,121,989	7,970,000	7,035,000	6,245,000	5,160,000	5,560,000	4,400,000	4,115,000	4,130,000
Principal	1,917,180	2,285,202	2,269,991	2,037,961	2,297,930	2,481,252	2,668,579	2,812,133	2,938,080	2,997,110
Interest	74,564,245	71,252,446	62,547,921	68,796,360	38,432,748	60,094,234	44,503,563	55,320,922	44,223,854	52,313,542
Total expenditures	179,664	(2,408)	14,339,147	(2,478,922)	1,371,669	(2,830,159)	6,972,148	(10,823,189)	(2,740,092)	(10,593,542)
Excess of revenues over (under) expenditures										
Other Financing Sources (Uses)										
Sale of capital assets	3,769,638	39,540	106,065	161,330	51,659	1,425,155	335,616	370,237	61,820	43,000
Proceeds from sale of property	-	-	-	-	-	-	-	-	-	-
Proceeds from issuance of debt (includes premium)	-	-	25,508,231	-	-	-	-	-	-	21,467,980
Bond issue discount	-	-	-	-	-	-	-	-	-	-
Bond issue cost	-	-	-	-	-	-	-	-	-	-
Transfers in	5,321,936	1,186,184	444,392	367,845	1,000,875	1,230,298	415,012	200,246	492,174	(74,886)
Transfers out	(5,321,936)	(1,307,534)	(444,392)	(3,072,654)	(3,465,927)	(1,513,852)	(708,443)	(672,459)	(1,865,163)	(3,069,462)
Net other financing sources (uses)	3,769,638	(81,810)	25,612,396	(2,543,479)	(2,413,393)	1,161,601	42,185	(101,976)	(1,312,669)	20,337,111
Net change in fund balances	\$ 5,800,302	\$ (84,218)	\$ 39,933,443	\$ (5,072,401)	\$ (1,041,724)	\$ (1,668,858)	\$ 2,014,333	\$ (10,923,163)	\$ (4,052,561)	\$ 8,743,569
Debt service as a percentage of noncapital expenditures	2.0%	22%	21%	21%	21%	20%	23%	22%	23%	22%

City of Bentonville, Arkansas
General Governmental Tax Revenues by Source
Last Ten Years
(Accrual Basis of Accounting)

Table 5

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Fees</u>	<u>Alcoholic Beverage Tax</u>	<u>State Turnback</u>	<u>Total</u>
2010	\$ 5,975,569	\$ 21,380,523	\$ 4,056,604	\$ 151,081	\$ 2,508,444	\$ 34,072,221
2011	6,119,288	21,639,791	4,396,945	169,763	2,808,320	35,134,107
2012	5,967,805	24,481,899	3,991,999	209,418	2,729,108	37,380,229
2013	6,557,935	26,320,374	4,166,269	268,692	2,665,348	39,978,618
2014	6,944,206	26,383,529	4,477,679	122,817	2,758,749	40,686,980
2015	7,248,656	29,458,234	4,599,120	84,264	2,705,936	44,096,210
2016	7,757,246	30,117,108	4,788,966	83,388	2,756,242	45,502,950
2017	8,282,975	37,651,052	5,351,361	44,594	2,853,363	54,183,345
2018	8,277,403	35,725,644	5,653,246	33,075	3,843,744	53,533,112
2019	9,417,015	39,622,601	5,368,133	32,346	3,041,751	57,481,846

City of Bentonville, Arkansas
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years
(Accrual Basis of Accounting)

Table 6

Year	Real Property			Personal Property			Total		Ratio of Total Assessed to Total Estimated Actual		Total Direct Tax Rate
	Assessed Value	Appraised Value		Assessed Value	Appraised Value		Assessed Value	Appraised Value	Actual		
2010	\$ 674,493,260	\$ 3,372,466,300	\$	\$ 255,493,115	\$ 1,277,463,575	\$	\$ 929,986,375	\$ 4,649,931,875	20%		7.21
2011	688,192,310	3,440,961,550		224,480,135	1,122,400,675		912,672,445	4,563,362,225	20%		7.21
2012	670,208,790	3,351,043,950		220,159,580	1,100,797,900		890,368,370	4,451,841,850	20%		7.21
2013	650,904,030	3,254,520,150		216,773,975	1,083,869,875		867,678,005	4,338,390,025	20%		7.21
2014	676,758,590	3,383,792,950		237,407,225	1,187,036,125		914,165,815	4,570,829,075	20%		7.21
2015	705,786,280	3,528,931,400		232,724,835	1,163,624,175		938,511,115	4,692,555,575	20%		7.21
2016	797,846,320	3,989,231,600		242,977,585	1,214,887,925		1,040,823,905	5,204,119,525	20%		7.21
2017	860,870,020	4,304,350,100		228,387,060	1,141,935,300		1,089,257,080	5,446,285,400	20%		7.21
2018	932,331,250	4,661,656,250		254,551,795	1,272,758,975		1,186,883,045	5,934,415,225	20%		7.21
2019	999,284,800	4,996,424,000		252,661,590	1,263,307,950		1,251,946,390	6,259,731,950	20%		7.21

Source: Benton County

City of Bentonville, Arkansas
Property Tax Rates and Tax Levies - Direct and Overlapping Governments
Last Ten Years

Table 7

Year	City of Bentonville			Overlapping Rates			Total Direct & Overlapping Rates
	Firemen's Pension & Relief Fund	General Fund	Street Fund	Total	Benton County	Bentonville Public Schools	Northwest Arkansas Community College
2010	0.50	5.00	1.71	7.21	6.90	43.70	3.00
2011	0.50	5.00	1.71	7.21	6.90	43.70	3.00
2012	0.50	5.00	1.71	7.21	6.90	43.70	3.00
2013	0.50	5.00	1.71	7.21	6.90	46.60	2.60
2014	0.50	5.00	1.71	7.21	6.90	46.60	2.60
2015	0.50	5.00	1.71	7.21	6.90	43.70	2.60
2016	0.50	5.00	1.71	7.21	7.10	46.60	2.60
2017	0.50	5.00	1.71	7.21	7.10	48.50	2.60
2018	0.50	5.00	1.71	7.21	7.10	48.50	2.60
2019	0.50	5.00	1.71	7.21	7.10	48.50	2.60

Source: Benton County

City of Bentonville, Arkansas

Principal Sales Taxpayers

Last Ten Years

The City of Bentonville, Arkansas's largest own-source revenue is sales taxes. Sales taxes primarily come from two separate taxes: a 2% city tax based on point of sale, and a portion of the county's 1% tax based on point of sale. In 2019 the city sales tax generated revenue of \$31,005,090. The City's portion of the county sales tax generated revenue of \$8,649,857.

According to Arkansas State Statutes, the City is required to keep the identity of individual tax payers confidential. Therefore, the City of Bentonville is not able to identify the top 10 tax payers. However, Bentonville enjoys a diverse economic sales tax base.

City of Bentonville, Arkansas
Principal Property Taxpayers
Last Ten Years

Table 8

Taxpayer	2019			2010		
	Rank	Taxable Assessed Value	Percentage of Total Assessed Value	Rank	Taxable Assessed Value	Percentage of Total Assessed Value
Wal-Mart/Sum's Club	1	\$ 169,620,325	13.55%	1	\$ 165,433,200	17.79%
Tyson Foods	2	13,428,610	1.07%	7	5,481,690	0.59%
Altus Group	3	13,116,220	1.05%		N/A	N/A
FT Scott Property	4	10,319,760	0.82%		N/A	N/A
Carroll Electric Cooperative	5	9,434,235	0.75%	5	6,908,000	0.74%
Bentonville Plaza Owner LLC	6	8,440,560	0.67%	3	7,443,030	0.80%
Cox Communications	7	7,994,830	0.64%	4	7,249,620	0.78%
American Electric Power	8	7,693,030	0.61%		N/A	N/A
Bella Vista Property Owners Association	9	5,805,170	0.46%		N/A	N/A
J Street Company, LLC	10	5,774,650	0.46%		N/A	N/A
QHG of Springdale Inc D/B/A Bates Medical Center		N/A	N/A	2	15,151,990	1.63%
A T & T Mobility LLC		N/A	N/A	6	6,552,800	0.70%
Ozark Aircraft Systems, LLC		N/A	N/A	8	4,784,090	0.51%
Southwestern Bell Telephone Company		N/A	N/A	9	4,433,875	0.48%
SH&S Partnership		N/A	N/A	10	4,072,630	0.44%

Source: Benton County

City of Bentonville, Arkansas
Property Tax Levies and Collection
Last Ten Years

Table 9

Fiscal Year	Tax Roll Year	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Prior Years' Collections	Total Collections	Percentage of Total Collections to Tax Levy
2010	2009	\$ 6,705,202	\$ 5,973,512	89.09%	\$ 727,506	\$ 6,701,018	99.94%
2011	2010	6,580,368	6,094,456	92.62%	480,463	6,574,919	99.92%
2012	2011	6,419,556	5,963,375	92.89%	450,123	6,413,498	99.91%
2013	2012	6,255,958	6,010,852	96.08%	237,355	6,248,207	99.88%
2014	2013	6,591,136	6,462,685	98.05%	118,592	6,581,277	99.85%
2015	2014	6,766,665	6,571,243	97.11%	187,039	6,758,282	99.88%
2016	2015	7,400,258	6,659,403	89.99%	836,351	7,495,754	101.29%
2017	2016	7,853,544	7,300,508	92.96%	428,083	7,728,991	98.41%
2018	2017	8,557,427	7,705,319	90.04%	828,385	8,533,704	99.72%
2019	2018	9,026,533	8,352,832	92.52%	573,612	8,926,444	98.89%

Source: Benton County

Property assessments are made; tax rates are established; and taxes are levied in one year for payment by the taxpayer and collection by local government the following year. The tax levy for this schedule includes the city's levy for its general fund, sales tax construction fund and fire pension plan.

City of Bentonville, Arkansas
Ratios of Outstanding Debt by Type
Last Ten Years

Table 10

Fiscal Year	Governmental Activities: Sales Tax Bonds		Business-Type Activities: Revenue Bonds		Total Primary Government	Percentage of Personal Income	Per Capita
2010	\$	75,591,529	\$	28,887,644	\$ 104,479,173	7.75%	\$ 2,960
2011		71,451,626		26,426,982	97,878,608	7.19%	2,773
2012		67,026,723		23,858,740	90,885,463	5.96%	2,575
2013		61,441,820		21,175,923	82,617,743	4.76%	2,340
2014		56,256,916		18,358,535	74,615,451	4.29%	2,114
2015		49,987,013		15,579,393	65,566,406	3.54%	1,857
2016		42,927,110		13,414,930	56,342,040	2.86%	1,596
2017		60,430,601		11,168,023	71,598,624	3.64%	2,028
2018		51,210,650		8,827,689	60,038,339	2.86%	1,701
2019		39,595,699		6,397,912	45,993,611	2.00%	1,303

(1) Personal Income is disclosed in Table 13

(2) Population is disclosed in Table 13

City of Bentonville, Arkansas
Ratios of General Bonded Debt Outstanding
Last Ten Years

As of December 31, 2019, the City has no general bonded debt outstanding.

City of Bentonville, Arkansas
Direct and Overlapping Governmental Activities Debt
Last Ten Years

Table 11

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Primary Government
Bentonville School District (1) (2)	\$ 341,942,459	54%	\$ 184,648,928
Northwest Arkansas Community College (3) (4)	29,623,069	31%	9,183,151
Subtotal, overlapping debt			193,832,079
City of Bentonville, Arkansas direct debt			39,595,699
Total direct and overlapping debt			<u>\$ 233,427,778</u>

Source: Outstanding debt amount from each governmental units most recent audited financial statements.

Note: The amount applicable to the City of Bentonville was estimated using population

(1) Amount as of 6/30/2019 which was the most recent Audited Financial Statements available

(2) Bentonville School District is comprised of multiple cities with an estimated population of 95,000 of which Bentonville is estimated to be 51,111 or 54% for 2019

(3) Northwest Arkansas Community College was created by a property tax of residents that comprise the Bentonville and Rogers, AR school district. Population estimate for both areas is estimated at 162,942 of which Bentonville is 51,111 or 31%

(4) Amount as of 6/30/2019 which was the most recent Audited Financial Statements available

City of Bentonville, Arkansas
Legal Debt Margin Information
Last Ten Years

As of December 31, 2019, the City has no general obligation debt.

City of Bentonville, Arkansas
Pledged Revenue Coverage – Proprietary Funds
Last Ten Years

Table 12

Year	Operating Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service			Coverage
				Principal	Interest	Total	
2010	\$ 68,361,455	\$ 58,369,371	\$ 9,992,084	\$ 2,348,399	\$ 1,122,831	\$ 3,471,230	2.88
2011	76,436,148	69,125,852	7,310,296	2,454,048	1,035,743	3,489,791	2.09
2012	76,829,744	69,301,586	7,528,158	2,568,242	939,169	3,507,411	2.15
2013	78,342,368	68,968,824	9,373,544	2,671,957	837,173	3,509,130	2.67
2014	85,487,267	76,977,920	8,509,347	2,817,389	730,046	3,547,435	2.40
2015	88,959,008	78,826,457	10,132,551	2,779,142	718,860	3,498,002	2.90
2016	91,567,054	85,834,256	5,732,798	2,170,911	603,337	2,774,248	2.07
2017	96,228,757	89,968,643	6,260,114	2,253,374	516,855	2,770,229	2.26
2018	100,889,330	90,228,298	10,661,032	2,346,801	422,677	2,769,478	3.85
2019	101,850,203	91,906,922	9,943,281	2,436,245	303,430	2,739,675	3.63

City of Bentonville, Arkansas
Demographic and Economic Statistics
Last Ten Years

Table 13

Fiscal Year	City of Bentonville Population (1)	Benton County Population (1)	Per Capita Income (2)	Personal Income (3)	Unemployment Rate (4)
2010	35,301	221,339	\$ 38,196	\$ 1,348,356,996	7.60%
2011	35,301	221,339	38,565	1,361,383,065	5.60%
2012	35,301	221,339	43,199	1,524,967,899	5.20%
2013	35,301	221,339	49,148	1,734,973,548	5.10%
2014	35,301	221,339	49,226	1,737,727,026	4.00%
2015	35,301	221,339	52,509	1,853,620,209	3.20%
2016	35,301	221,339	55,729	1,967,289,429	2.90%
2017	35,301	221,339	55,729	1,967,289,429	2.90%
2018	35,301	221,339	59,425	2,097,761,925	2.50%
2019	54,909	279,141	65,306	3,585,887,154	2.30%

(1) U.S. Census Bureau

(2) Fayetteville-Springdale-Rogers MSA (of which Bentonville is a part) information from the U.S. Federal Reserve

Bank of St. Louis

(3) Calculated using City of Bentonville Population and Per Capita Income

(4) Bureau of Labor Statistics

City of Bentonville, Arkansas
Principal Employers
Last Ten Years

Table 14

Employer	2019			2010		
	Rank	Employees	Percentage of Population 35,301 (1)	Rank	Employees	Percentage of Population 35,301 (1)
Wal-Mart Stores, Inc	1	2,500+	7.08%	1	2,500+	7.08%
Arvest Bank Group, Inc	1	2,500+	7.08%	3	500-999	1.42%
Mercy Health System of Northwest Arkansas	3	1000-2499	2.83%	8	200-299	0.57%
Northwest Health System	3	1000-2499	2.83%	5	300-499	0.85%
Bentonville School District	3	1000-2499	2.83%	2	1000-2499	2.83%
America's Car Mart	3	1000-2499	2.83%			
Consumer Testing Laboratories	8	500-999	1.42%			
Benton County	8	500-999	1.42%	3	500-999	1.42%
Genpact	8	500-999	1.42%			
City of Bentonville	8	500-999	1.42%	5	300-499	0.85%
Northwest Arkansas Community College				5	300-499	0.85%
Outdoor Cap Company				8	200-299	0.57%
Fuji Film				8	200-299	0.57%

(1) Low figure in the range of employees used for calculation

City of Bentonville, Arkansas
Full-time Equivalent City Employees by Function
Last Ten Years

Table 15

Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities										
General government	71.5	72	91	59	65	64	67	64	65	61
Public safety	212.5	191	199	189	175	174	161	162	154	151
Recreation	111.5	109	187	160	90	70	46.5	43.5	37.5	34.5
Street Department	23	23	26	29	23	23	22	22	22	20
Library	24.5	26	29	28	24	23.5	21	20.5	20.5	21.5
Total	443.0	421.0	532.0	465.0	377.0	354.5	317.5	312.0	299.0	288.0
Business-Type Activities										
Electric	46	41	43	42	37	36	36	36	36	36
Water	43	41	44	39	38	38	38	37	38	37
Wastewater	22	23	26	25	22	21	22	22	22	23
Sanitation	24	23	26	23	21	21	22	22	23	22
Total	135	128	139	129	118	116	118	117	119	118
Total Primary Government	578	549	671	594	495	470.5	435.5	429.0	418.0	406.0

Source: Various city departments

City of Bentonville, Arkansas Operating Indicators by Function Last Ten Years

Table 16

Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities										
General Government										
Building Permits Issued	1,750	1,732	1,562	1,461	1,375	1,227	1,225	1,253	866	812
Building Inspections performed	19,570	21,079	19,613	19,380	19,514	14,228	16,222	13,782	9,920	8,646
Fire										
Fire related calls for service *	1,420	1,485	1,553	1,534	1,453	1,309	1,229	1,100	1,128	971
EMS related calls for service	5,534	5,304	4,788	4,786	4,665	4,141	3,772	3,826	3,779	3,393
Police										
Calls for service Police	70,483	66,312	59,100	57,193	53,140	48,402	40,320	35,888	30,555	20,735
Calls for service Fire/EMS	6,976	6,977	6,031	6,294	6,111	5,455	5,029	4,925	4,907	4,364
Physical arrests	3,981	3,544	3,601	3,405	3,319	2,891	2,572	2,763	2,490	4,099
9-1-1 Calls	17,336	15,642	16,078	16,779	16,907	18,779	17,857	14,942	14,355	11,953
Recreation										
Program Participants	735,491	728,955	726,364	661,897	320,655	171,363	160,592	97,152	**	**
Transportation										
Streets Overlayed each year (miles)	2	2	3	3	2	4	2	3	3	4
Library										
Library card holders	42,615	26,867	26,929	27,058	35,514	30,621	27,190	27,108	28,066	28,340
Visits	319,697	302,398	296,311	300,766	298,585	296,819	296,031	300,652	277,059	282,300
Circulation (checkouts or materials)	725,096	667,538	675,787	679,444	651,289	602,218	560,778	541,028	482,198	473,351
Business-Type Activities										
Electric, Water, Wastewater Support Activities										
Meters read	599,999	572,648	555,128	530,850	503,834	483,297	466,085	450,585	438,307	426,214
Payments Processed (dollars)	\$ 94,437,561	\$ 93,810,989	\$ 90,026,317	\$ 88,326,913	\$ 84,237,799	\$ 84,480,533	\$ 73,951,337	\$ 72,495,590	\$ 70,010,466	\$ 70,851,679
Payments Processed (transactions)	215,614	206,971	193,627	190,814	185,954	188,519	182,333	177,907	173,423	173,668

* Adjusted totals for Fire Related Calls in years 2010-2016

** Data not available for given period.

Source: Various city departments

City of Bentonville, Arkansas Capital Asset Statistics by Function Last Ten Years

Table 17

Function	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities										
General Government										
Number of general government buildings	4	4	4	4	4	4	4	4	4	3
Fire										
Fire Trucks available each year	8	8	8	8	8	7	7	7	7	7
Ambulances available each year	6	7	7	7	7	6	6	6	6	6
Fire Stations	6	6	6	6	6	5	5	5	5	5
Police										
Police Units (cars/trucks) that were available each year	94	91	89	85	83	80	77	70	69	69
Recreation										
Parks Acreage	341	341	341	341	341	311	311	311	309	291
Number of Parks	20	20	20	20	20	19	19	19	18	13
Number of Trails	28	27	25	25	24	23	23	23	21	16
Baseball/softball fields	24	24	24	24	24	24	24	24	24	20
Soccer Fields / Football Fields	16	16	16	16	16	13	13	10	10	9
Tennis Courts	22	14	14	14	14	14	14	14	14	6
Basketball Courts	5	5	5	5	5	4	4	4	4	**
Swimming Pools / Splash Parks	4	4	4	4	4	2	2	2	2	1
Ice Rink	1	1	1	1	1	1	1	1	1	1
Indoor Race Center	2	2	2	2	2	1	1	1	1	1
Transportation										
Total Paved Streets (miles)	284	288	274	261	250	253	246	244	237	235
Traffic Signals	50	49	45	45	41	41	41	41	41	39
Library										
Items Available for checkout	149,962	143,760	135,568	134,725	131,070	121,905	114,238	111,887	103,000	92,869
Business-Type Activities										
Electric										
Electric Substations	9	9	9	9	9	9	9	9	8	8
Electric Lines (miles)										
Distribution	982.10	925.50	915.68	885.88	846.25	837.40	723.50	699.50	669.00	638.50
Transmission	16.32	16.32	16.32	16.32	16.32	16.32	16.32	16.32	**	**
Water										
Water Lines (miles)	330.71	325.60	321.90	314.40	307.50	301.60	298.50	290.50	288.50	285.00
Sewer Lines (miles)	311.25	306.40	305.80	300.40	294.20	289.30	287.20	283.60	282.00	276.70

** Data not available for given period.
Source: Various city departments.

City of Bentonville, Arkansas

Water and Wastewater Rates

December 31, 2019

Table 18

Per 1,000 gallons						
	Water			Wastewater		
	Residential	Irrigation	Commercial	Residential	Commercial	
Inside City monthly usage rates						
First 4,000 gallons of water	\$ 3.29	N/A	N/A	N/A	N/A	
Next 6,000 gallons of water	3.76	N/A	N/A	N/A	N/A	
Over 10,000 gallons of water	5.43	N/A	N/A	N/A	N/A	
All Consumption	N/A	\$ 4.41	\$ 3.76	\$ 7.69	\$ 8.22	
Outside City monthly usage rates						
First 4,000 gallons of water	\$ 3.91	N/A	N/A	N/A	N/A	
Next 6,000 gallons of water	4.48	N/A	N/A	N/A	N/A	
Over 10,000 gallons of water	6.48	N/A	N/A	N/A	N/A	
All Consumption	N/A	\$ 5.26	\$ 4.48	\$ 9.23	\$ 9.86	

Rate per Month					
	Water		Wastewater		
		Irrigation	Residential	Commercial	
Meter rates					
5/8" meter	\$ 7.71	\$ 8.89	\$ 13.41	\$ 14.33	
3/4" meter	7.71	8.89	13.41	14.33	
1" meter	19.28	22.50	44.16	47.19	
1-1/2" meter	83.55	96.41	164.05	175.31	
2" meter	89.98	103.91	175.15	187.17	
3" meter	134.97	155.32	257.30	274.95	
4" meter	385.63	444.55	721.32	770.81	
6" meter	835.54	964.08	1,553.89	1,660.50	

City of Bentonville, Arkansas
Schedule of Electric, Water and Wastewater Customers
and Annual Billable Water Gallons
December 31, 2019

Table 19

Type	Number of Customers
Electric	25,446
Water	22,287
Wastewater	18,081

Year Ended December 31, 2019	Gallons
Annual billable water gallons	2,421,939,000

City of Bentonville, Arkansas
Schedule of Insurance Coverage
December 31, 2019

Table 20

Policy Coverage	Policy Period	Coverage	Insurer
Property	7-8-19 to 7-8-20	\$208,510,333	Affiliated FM Insurance Company
Municipal vehicles - Includes property and bodily injury	1-1-19 to 1-1-20	\$25,000 for one person, \$50,000 for multiple persons	Arkansas Municipal League
Fraudulent or dishonest acts	7-1-19 to 6-30-20	\$300,000	Arkansas Fidelity Bond Trust Fund

Other Required Reports

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**Report on Internal Control over Financial Reporting and on Compliance and Other
Matters Based on an Audit of the Financial Statements Performed in Accordance
with Government Auditing Standards**

Independent Auditor's Report

The Honorable Mayor and Members of the City Council
City of Bentonville, Arkansas
Bentonville, Arkansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bentonville, Arkansas, (the City) for the year-ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 16, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Rogers, Arkansas
June 16, 2020

Independent Accountant's Report on Compliance With Arkansas State Requirements

The Honorable Mayor and Members of the City Council
City of Bentonville, Arkansas
Bentonville, Arkansas

We have examined management of the City of Bentonville, Arkansas's assertions that the City of Bentonville, Arkansas complied with the requirements of Arkansas Act 15 of 1985 and the following Arkansas statutes during the year ended December 31, 2019.

- (1) Arkansas Municipal Accounting Law of 1973, § 14-59-101 et seq.;
- (2) Arkansas District Courts and City Courts Accounting Law, § 16-10-201 et seq.;
- (3) Improvement contracts, §§ 22-9-202 – 22-9-204;
- (4) Budgets, purchases, and payments of claims, etc., § 14-58-201 et seq. and 14-58-301 et seq.;
- (5) Investment of public funds, § 19-1-501 et seq.; and
- (6) Deposit of public funds, §§ 19-8-101 – 19-8-107.

Management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the City's compliance with the aforementioned requirements above based upon our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, management's assertion that the City of Bentonville, Arkansas complied with the aforementioned requirements during the year ended December 31, 2019, is fairly stated, in all material respects.

This report is intended solely for the information and use of the governing body, management, and the State of Arkansas and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP
Rogers, Arkansas
June 16, 2020

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CHECK ALL THAT APPLY			
	Bid Award	Bid #	
X	Budget Adjustment		
	Change Order		
	Informational		
	Ordinance		
	Resolution		
	Other		

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Jake Harper

Department

Finance

Phone

271-6781

ACTION REQUIRED:

Budget adjustment needed to recognize receipt of CARES Act funding in the amount of \$187,518.97.00. \$177,375.00 of this will be paid directly to City EMS employees in accordance with the State of Arkansas CARES Act Steering Committee guidelines. \$10,143.97.00 will be used to offset the City portion of Medicare costs to these employees for the payments.

COST TO CITY:

Cost of this Request:

Additional Budget Amount

☐ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE





CHECK ALL THAT APPLY		
☐	Bid Award	Bid #
☐	Budget Adjustment	
☐	Change Order	
☐	Informational	
☐	Ordinance	
☒	Resolution	
☐	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Dan Weese

Department

Engineering

Phone

271-3168

ACTION REQUIRED:

Resolution authorizing the Mayor to enter into an agreement with FTN Associates, Ltd. for Work Order 2 to their Master Services Agreement for the City Wide Drainage Analysis.

COST TO CITY:

Cost of this Request:

Additional Budget Amount

☒ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	
Budget Adjustment	
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

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PLEASE RECYCLE



Memorandum



To: Mayor and City Council
From: Dan Weese, City Engineer
Date: Tuesday, August 11th, 2020
Re: Approval of Work Order 2020-02 of FTN Master Services Agreement

Staff requests City Council approval of a resolution authorizing the Mayor to approve Work Order No. 2020-02 (WO# 2) for an amount not to exceed \$150,000. This Work Order provides professional engineering services related to prioritizing and designing stormwater system improvements in the downtown area. Additional areas may be chosen by the City Engineer, if warranted.

The cost of WO# 2 is \$150,000.00. Staff also requests a budget adjustment in the amount of \$150,000.00 to be placed in the Engineering Professional Services Account to cover the cost of this work order.

Please find the attached WO# 2 for your reference.

Thank you for your consideration of this request. Please contact me at dweese@bentonvillear.com or 479-271-3168 with any questions or comments.

Exhibit A

WORK ORDER ISSUED

In Accordance with Client's

Master Services Agreement Dated December 16, 2019

FTN Associates, Ltd.
124 W Sunbridge Drive
Suite 3
Fayetteville, AR 72703
(479) 571-3334
(479) 571-3338 FAX

Work Order No. 2020-02

Date: August 10, 2020

FTN Project Number: R04209-2171-002

PURPOSE: Provide professional engineering services related to prioritizing and designing stormwater system improvements in downtown Bentonville, AR (the Project).

SCOPE: Our Basic Services for the Project will generally consist of the following tasks:

1. Prioritizing Stormwater Improvements:
 - 1.1. FTN will work with City staff to review all areas of improvement identified in Work Order 1, and develop preliminary design fees for individual stormwater infrastructure improvements.
 - 1.2. FTN and City staff will prioritize improvements based on need (both from model results and community identified issues) and cost for improvement.
2. Designing Stormwater Improvements:
 - 2.1. Based on the priority list developed within Task 1, FTN will design stormwater improvements, including:
 - 2.1.1. Existing Site Survey will be performed to gather necessary terrain data at a scale suitable for the improvements, obtain invert elevations at potential tie-in locations, and identify potential utility conflicts that may need to be addressed during the design process.
 - 2.1.2. Preparing proposed conditions hydrologic and hydraulic models as necessary for sizing of improvements.
 - 2.1.3. Developing design construction drawings for the stormwater improvements along with necessary construction specifications.
 - 2.1.4. Deliverables for each project will include a design schedule, construction drawings and specifications, and media for public input sessions. The design schedule for each project will follow the City of Bentonville standard review process; including conceptual, pre-app, 30%, 60%, and 90% submittals and associated scheduled meetings.
3. Coordinate with the City, including routine project emails and telephone calls, as well as monthly invoicing and associated progress reports.



We will also furnish such Additional Services as you may request.

Our fee for Basic Services will be based on time and materials using the current Client Rates under the Master Services Agreement for services rendered by our principals and employees engaged directly on the Project. The total fee for Basic Services will not exceed \$150,000 without prior approval from you. Any Additional Services will be charged on the basis of time and materials according to the current rates under the Master Services Agreement. Additional Services will be approved by you prior to proceeding.

ASSUMPTIONS: Our Basic Services, Schedule, and fee for the Project are based on the following assumptions:

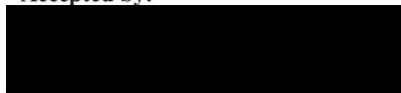
1. The scope and fee structure are generalized to allow flexibility for the City of Bentonville to adjust project direction as needs are identified or priorities are changed.
2. Projects will be planned and developed as the budget allows; if the desired scope of services exceeds the budgeted amount, Additional Services will be requested prior to completing any tasks.

SCHEDULE: We expect to start our services promptly after receipt of your acceptance of this work order and to complete our design services within six months of identification of preferred area of improvements.

SPECIAL CONTRACT TERMS:

None.

Accepted by:



Project Manager
FTN Associates, Ltd.

August 10, 2020
Date

Authorized Representative
City of Bentonville

Date

S:\PROPOSALS\04209-2171-002\FINAL\2020-08-10 FTN WO-2 CITY OF BENTONVILLE-STORMWATER IMPROVEMENTS.DOC *PWC*



RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR TO
ENTER INTO WORK ORDER 2020-02 WITH FTN
ASSOCIATES, LTD. FOR PROFESSIONAL
ENGINEERING AND DESIGN SERVICES RELATED TO
THE DOWNTOWN MASTER DRAINAGE ANALYSIS.

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

Section 1: That the Mayor be and are hereby authorized to enter into Work Order 2020-02 with FTN Associates, Ltd. for professional engineering and design services related to the Downtown Master Drainage Analysis, as set forth in the proposal attached hereto as Exhibit "A".

Section 2: This resolution shall be in full force and effect from and after the date of its passage.

PASSED and APPROVED this _____ day of _____, 2020.

APPROVED:

MAYOR

ATTEST:

CITY CLERK



CHECK ALL THAT APPLY			
	Bid Award	Bid #	
X	Budget Adjustment		
	Change Order		
	Informational		
	Ordinance		
	Resolution		
	Other		

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Dan Weese

Department

Engineering

Phone

254-2024

ACTION REQUIRED:

Budget adjustment to cover Work Order 2020-02 for the Bentonville City-Wide Master Drainage Analysis in the amount of \$150,000.00.

COST TO CITY:

Cost of this Request:	\$150,000
Additional Budget Amount:	\$150,000

☒ One time amount

☐ Continuing O and M

Previously Budgeted	\$	-
Funds Expended to Date		-
Remaining Budget		-
Budget Adjustment		150,000
Remaining After Adjustment	\$	150,000

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE







CHECK ALL THAT APPLY			
	Bid Award	Bid #	
	Budget Adjustment		
X	Change Order		
	Informational		
	Ordinance		
X	Resolution		
	Other		

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Dennis Birge

Department

Transportation

Phone

271-6840

ACTION REQUIRED:

Resolution authorizing the Mayor and City Clerk to enter into an agreement with ARDOT, funding \$975,000.00 from Street account allocated to the addition of "Pedestrian Tunnel" as per Change Order #16 of CA0903 project.

COST TO CITY:

Cost of this Request: \$975,000

Additional Budget Amount \$0

☒ One time amount

☐ Continuing O and M

Previously Budgeted	
Funds Expended to Date	-
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

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PLEASE RECYCLE



Memorandum



To: City Council, Mayor Orman
From: Dennis Birge, Transportation Director
Date: Thursday, August 13, 2020
Re: CA0903 – Request for Change Order #16 Approval

Staff recommends City Council approval of a resolution authorizing the Mayor and City Clerk to enter into an agreement with Arkansas Department of Transportation, allowing Change Order #16 to the ARDOT CA0903 S.P.U.I. (Single Point Urban Interchange) project located at exit 93. The resolution would allow for City funding required to construct “Pedestrian Tunnel”. The addition of the Pedestrian tunnel will allow for the connection of the Razorback Greenway Trail through the project and by placing the tunnel out of the creek area there will be less maintenance cost to the City.

The City portion of funding will come from the Street fund and then reimbursed by a grant as shown on the budget adjustment for a total City contribution of \$0.

Thank you for your consideration of this request and please do not hesitate to contact me with any questions or concerns at dbirge@bentonvillear.com or 479-271-5964.

ARKANSAS STATE HIGHWAY COMMISSION

CHANGE ORDER

Job Name Hwy. 71 Interchange (B.V. Bypass) (F) Route & Section 549, Section 9
 Job No. CA0903 FAP No. 9991 County Benton
 Changes located Hwy 549 Sta 1133+00 Change Order No. 16

DESCRIPTION OF CHANGE:

Establish and add to the Contract the item "Pedestrian Box".

EXPLANATION OF CHANGE:

The City of Bentonville through a grant from and the Walton Foundation, requested to relocate the Razorback Greenway Trail from the planned location where it will not encroach on the Wishing Springs waterway nor will it pass through the planned hydraulic structure. The new location was evaluated and designed where the trail will pass through the Pedestrian Box under the main lanes at Sta. 1133+00.

Note: The City of Bentonville has accepted the price for the Item "Pedestrian Box" and will participate 100% in the cost of this Change Order.

Note: The Contractor has agreed to complete the work within the Contract time of 700 calendar days. Therefore, the Contractor will not request any additional contract days and will submit a Zero Day TIA for the P6 schedule.

Attachments: City of Bentonville Request, Maintenance Agreement, Correspondence Including SP for Pedestrian Box and Revised Plan sheets, Response from Contractor, Zero Day TIA, Payment Check from the City of Bentonville.

NOTE: UNIT PRICE FOR "PEDESTRIAN BOX" IS CONTINGENT UPON THE EXECUTION OF A SUPPLEMENTAL AGREEMENT.

SUMMARY

Item No.	Item	Unit	Unit Price	PRESENT		REVISED	
				Quantity	Amount	Quantity	Amount
SP	Pedestrian Box	L.S.	975,000.00	0.00	0.00	1.00	975,000.00
					0.00		975,000.00
Overrun							\$975,000.00

Concurrence By:

	Date	Initials	Remarks
_____	_____	_____	_____

Recommended _____

Steve Lawrence, District Engineer

APPROVED _____

David B. Henning, Construction Engineer

Authorized _____

Rex Vines, Assistant Chief Engineer

Requested _____

Bashar Qedan, Resident Engineer



May 19, 2020

Mr. Bashar Qedan
ARDOT, Resident Engineer 43
3526 N Hwy 112
Fayetteville, AR 72704

RE: Request for Pedestrian Tunnel Relocation
Job No. CA0903
F.A.P. 9991
Hwy. 71 Interchange
(B.V. Bypass) (F)
Benton County

Mr. Qedan,

As per our previous conversations, the City of Bentonville would like to request your approval for changes to the current project referenced above and located at I-49, exit 93. This change would involve relocating or adding a box culvert that would be a pedestrian tunnel. Attached you will find a map with the proposed location, that we feel would allow for the best future connection of the Razorback Greenway Trail. In this request, we have the support of the Walton Family Foundation, the Trailblazers organization, and the NWARPC. In addition, we ask that you assist us in determining the best way to get a cost estimate of this work, with the understanding that the City would be responsible for the additional cost associated with the Construction phase of this possible change order.

Please advise if this change is possible and of next steps needed.

Thank you for your consideration and if you have any questions or comments please call or e-mail Dennis Birge, Transportation Director, at 479-271-5964 or dbirge@bentonvillear.com.

Sincerely,



Dennis Birge
Transportation Director
City Of Bentonville

117 W. CENTRAL AVE. • BENTONVILLE, AR 72712 • (479) 271-3112
• www.bentonvillear.com •



August 3, 2020

Mr. Bashar Qedan
ARDOT, Resident Engineer 43
3526 N Hwy 112
Fayetteville, AR 72704

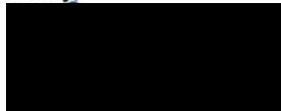
RE: Request for Pedestrian Tunnel Relocation
Job No. CA0903
F.A.P. 9991
Hwy. 71 Interchange
(B.V. Bypass) (F)
Benton County

Mr. Qedan,

We appreciate your assistance with our request to include a new pedestrian tunnel with the new interchange project. Please allow this letter to confirm if the new tunnel / connection is included with the project, the City of Bentonville will assume all responsibility of maintenance with this trail and tunnel.

Thank you for your consideration and if you have any questions or comments please call or e-mail David Wright, Parks and Recreation Director, at 479.271.6813 or dwright@bentonvillear.com.

Sincerely,



David Wright
Parks and Recreation Director
City Of Bentonville

117 W. CENTRAL AVE. • BENTONVILLE, AR 72712 • (479) 271-3112
• www.bentonvillear.com •



ARKANSAS DEPARTMENT OF TRANSPORTATION

ArDOT.gov | IDriveArkansas.com | ConnectingArkansasProgram.com | Lorie H. Tudor, P.E., Director

10324 Interstate 30 | P.O. Box 2261 | Little Rock, AR 72203-2261 | Phone: 501.569.2000 | Voice/TTY 711 | Fax: 501.569.2400

August 7, 2020

Mr. Daniel Hoyt
Emery Sapp & Sons
2301 I-70 Drive
NW Columbia, MO 65202

Proposed CO for Pedestrian Box
Job No. CA0903
FAP: 9991
Hwy. 71 Interchange (B.V. Bypass)
(F) Benton County

Dear Mr. Hoyt,

The Department is considering to relocate the planned shared use path from the planned sextuple box to the location shown on the attached plans, by adding a One Lump Sum Contract item "Pedestrian Box" to the Contract. This Pedestrian Box will be a 9'x12'x388' culvert at the location shown on the attached plans. The Pedestrian Box culvert will be connected, with side walks, to the existing concrete walks of the retained R.C. Box culvert. The planned sextuple box culvert will remain as planned, however, the shared use path and associated items as shown on page 35 will be deleted. In addition, the illumination quantities will be revised and relocated as shown on the attached plans. All construction shall be done in accordance with the Standard Specifications, the attached Special Provision for "Pedestrian Box", and the attached revised plan sheets. Please provide an updated P6 schedule with the revised quantities and additional Pedestrian Box culvert. The updated P6 schedule will be a zero day time impact for the proposed work.

If you have any questions, please call this office.

Sincerely,



Bashar Qedan
Resident Engineer

BQ/jdk
Attachments

C/ State Construction Engineer
District Nine Engineer
Job File w/attachments

ARKANSAS DEPARTMENT OF TRANSPORTATION

SPECIAL PROVISION

JOB NO. CA0903

PEDESTRIAN BOX

Description: This item shall consist of installing a reinforced concrete box culvert to be used as a pedestrian shared use path in accordance with the attached plans.

Materials and Construction Requirements: During construction of the project, the Contractor shall furnish all materials required and install a cast-in-place reinforced concrete pedestrian box culvert in accordance with the attached plans. Unclassified Excavation for Structures-Roadway and backfilling shall be in accordance with Section 801 of the Standard Specifications, Concrete for Structures-Roadway Shall be in accordance with the Contract's SS and Section 802 of the Standard Specifications, Reinforcing Steel-Roadway (Grade 60) shall be in accordance with the Contract's SS and Section 804 of the Standard Specifications, and Electrical Components shall be in accordance with the Contract.

Method of Measurement: Pedestrian Box shall be measured by the Lump Sum.

Basis of Payment: Work completed and accepted and measured as provided above shall be paid for at the contract unit price per lump sum for Pedestrian Box, which price shall be full compensation for furnishing all materials; forms; construction and installing of all materials, weep holes, drainage aggregate, and joint sealer, and for all labor, equipment, tools, and incidentals necessary to complete the work described above.

Payment will be made under:

Pay Item
Pedestrian Box

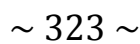
Pay Unit
Lump Sum

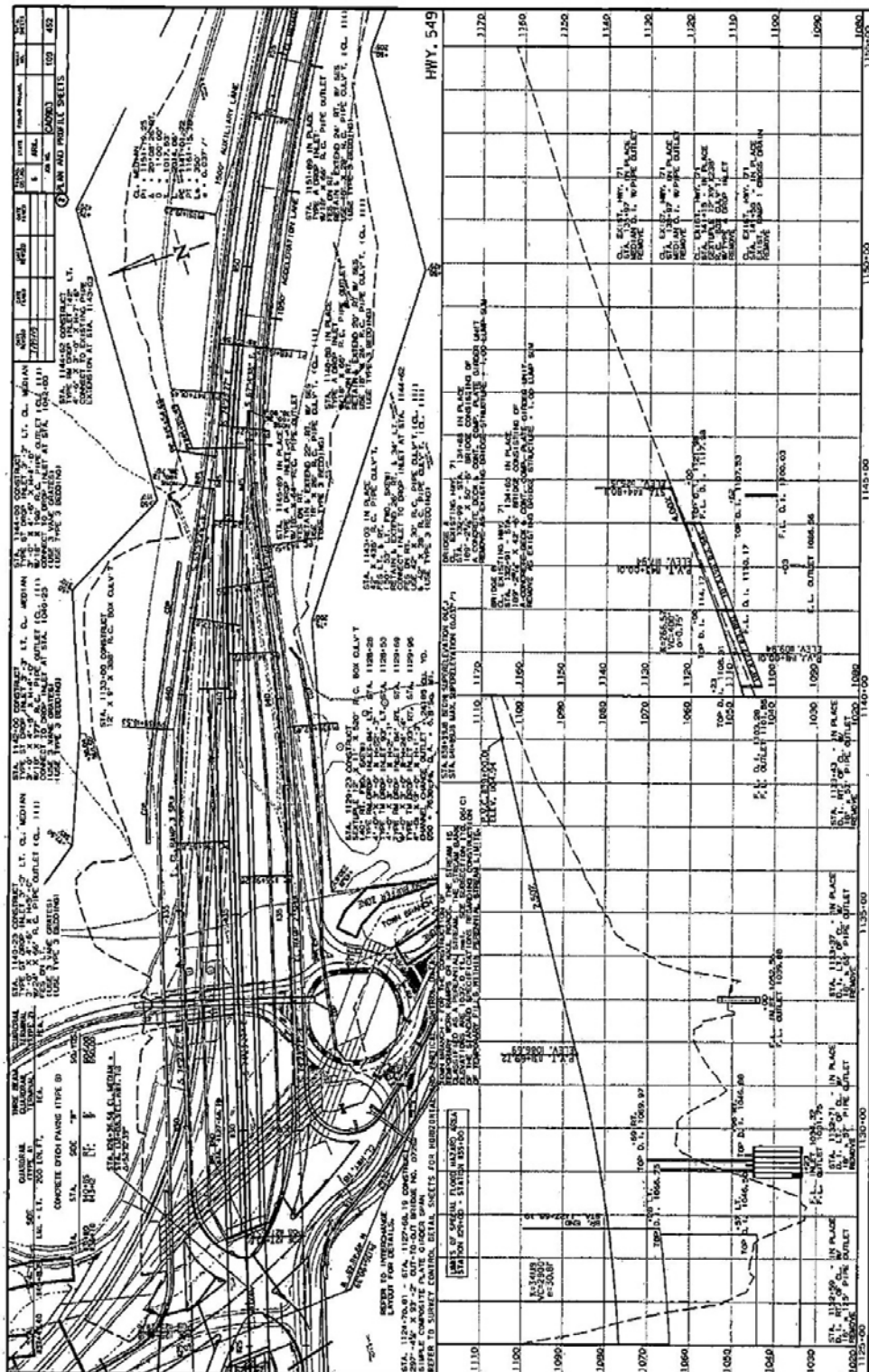
LIGHTING QUANTITIES				
Item No.	Item	Old Quantity	New Quantity	Change
SP	Electrical Conductors-in-Conduit (2C/6 A.W.G.)	919	768	-151
SP	Electrical Conductors-in-Conduit (1C/6 A.W.G.)	919	768	-151
SP	PVC Coated Galvanized Steel Conduit (1.5")	546	407	-139
710	Non-metallic Conduit (2")	1473	1856	383
SP	Anti-theft Concrete Pull Box (Type 2HD)	4	6	2
SP	Submersible Luminaire	11	8	-3

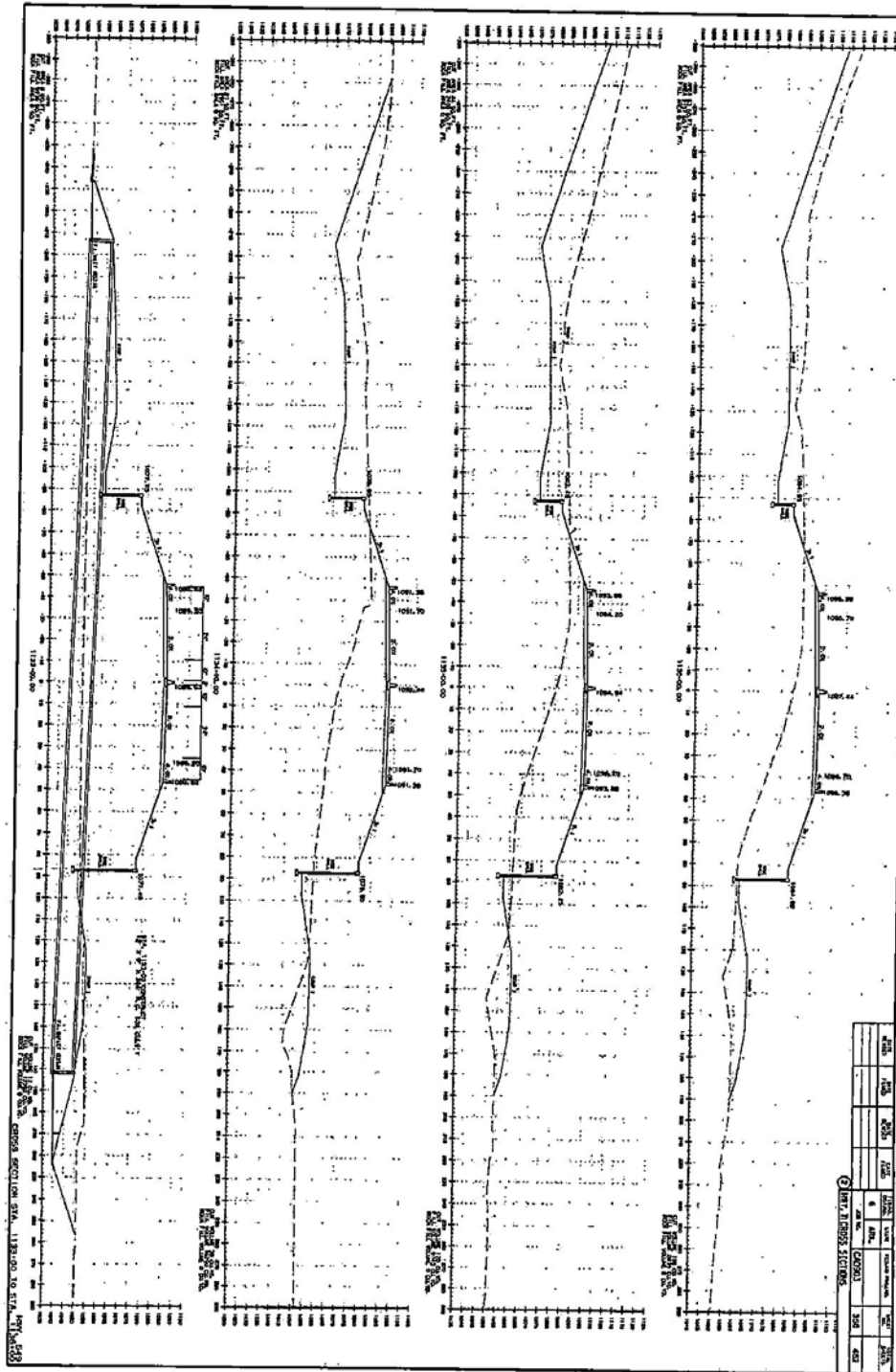
PLANNED SHARED USED PATH				
Item No.	Item	Old Quantity	New Quantity	Change
SS & 802	Class S Concrete - Roadway	7283.50	7167.05	-116.45
SS & 804	Reinforcing Steel (Gr. 60) - Roadway	1130227	1119857	-10370

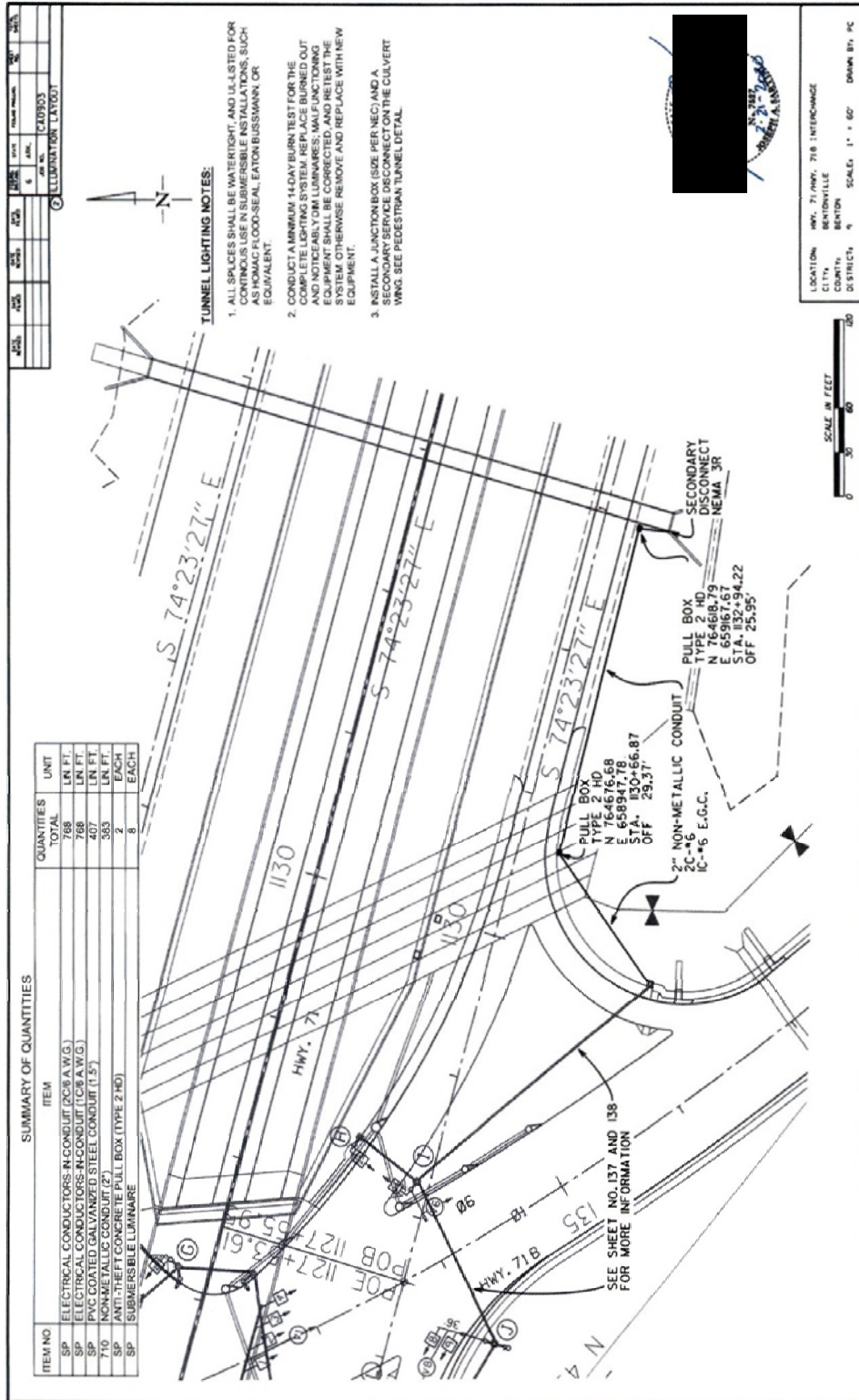
PROPOSED SHARED USE PATH				
Item No.	Item	Old Quantity	New Quantity	Change
620	Water	0	0.38	0.38
624	Solid Sodding	0	30	30
SS & 633	Concrete Walks	0	400	400
801	Unclassified Excavation for Str. - Roadway	0	593	593
SS & 802	Class S Concrete - Roadway	0	901.63	901.63
SS & 804	Reinforcing Steel (Gr. 60) - Roadway	0	106827	106827

SUMMARY OF QUANTITIES							COST	
Item No.	Item	Old Quantity	New Quantity	Change	Unit	Unit Cost	Cost of Change	
620	Water	12891.3	12891.7	0.38	M.GAL	\$ 5.20	\$ 1.98	
624	Solid Sodding	5134	5164	30	SQ. YD.	\$ 5.20	\$ 156.00	
SS & 633	Concrete Walks	0	400	400	SY	\$ 62.00	\$ 24,800.00	
SP	Electrical Conductors-in-Conduit (2C/6 A.W.G.)	1353	1202	-151	LIN. FT.	\$ 2.24	\$ (338.24)	
SP	Electrical Conductors-in-Conduit (1C/6 A.W.G.)	919	768	-151	LIN. FT.	\$ 1.40	\$ (211.40)	
SP	PVC Coated Galvanized Steel Conduit (1.5")	546	407	-139	LIN. FT.	\$ 36.42	\$ (5,062.38)	
710	Non-metallic Conduit (2")	2449	2832	383	LIN. FT.	\$ 22.37	\$ 8,567.71	
SP	Anti-theft Concrete Pull Box (Type 2HD)	4	6	2	EACH	\$1,030.12	\$ 2,060.24	
SP	Submersible Luminaire	11	8	-3	EACH	\$ 530.67	\$ (1,592.01)	
801	Unclassified Excavation for Str. - Roadway	2968	3561	593	CU. YD.	\$ 16.00	\$ 9,488.00	
SS & 802	Class S Concrete - Roadway	7422.18	8207.36	785.18	CU. YD.	\$ 430.50	\$ 338,019.99	
SS & 804	Reinforcing Steel (Gr. 60) - Roadway	1244763	1341220	96457	POUND	\$ 1.26	\$ 121,535.82	
Total Cost:						\$	497,425.71	













August 17, 2020

Mr. Bashar Qedan
Arkansas Department of Transportation
3526 N. Hwy. 112
Fayetteville, AR 72704

RE: **Hwy. 71 Interchange – B.V. Bypass**
Job No CA0903, FAP: 9991
Letter 045 – Pedestrian Box Culvert Change Order

Mr. Qedan,

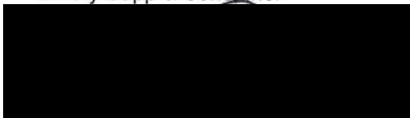
Per the letter, plans and the breakdown of quantities provided by you dated August 7, 2020, Emery Sapp & Sons is willing to submit a lump sum price of \$975,000 to construct the additional single cell pedestrian box culvert. The quantities and price breakdown covered for the lump sum price is attached for your reference.

As a result of the agreement between Emery Sapp & Sons, The City of Bentonville, the Walton Family Foundation and ArDOT, the pedestrian box culvert shall be completed within the agreed upon contract time of 700 Calendar Days. Therefore, Emery Sapp & Sons will not request any additional contract days for the completion of this work unless circumstances arise beyond the Department or the contractor's control as outlined in Section 108 of the Standard Specifications.

Please don't hesitate to contact me by phone at 573-489-9211 or email
Chip.Jones@emerysapp.com with any questions or concerns.

Sincerely,

Emery Sapp & Sons, Inc.



Chip Jones, P.E.
Vice President

100% EMPLOYEE OWNED

2301 I-70 Drive NW | Columbia, MO 65202 | o 573.445.8331 | f 573.445.0266

SHARED USE PATH COST SUMMARY

		City of Bentonville Change Order Payment				
Item	Old Qty.	New Qty.	Change	Unit	Unit Cost	Cost of Change
Water	12,891.30	12,891.70	0.40	MGAL	\$5.20	\$2.08
Solid Sodding	5,134.00	5,164.00	30.00	SY	\$5.20	\$156.00
Concrete Walks (Quantity to be used but not shown on Plans)	0.00	400.00	400.00	SY	\$62.00	\$24,800.00
Electrical Conductors-in-Conduit (2C/6 A.W.G.)	1,353.00	1,202.00	(151.00)	LF	\$2.24	(\$338.24)
Electrical Conductors-in-Conduit (1C/6 A.W.G.)	919.00	768.00	(151.00)	LF	\$1.40	(\$211.40)
PVC Coated Galvanized Steel Conduit (1.5")	546.00	407.00	(139.00)	LF	\$36.42	(\$5,062.38)
Non-metallic Conduit (2")	2,449.00	2,832.00	383.00	LF	\$22.37	\$8,567.71
Anti-theft Concrete Pull Box (Type 2HD)	4.00	6.00	2.00	EA	\$1,030.12	\$2,060.24
Submersible Luminaire	11.00	8.00	(3.00)	EA	\$530.67	(\$1,592.01)
Unclassified Excavation for Str. - Roadway	2,968.00	3,561.00	593.00	CY	\$16.00	\$9,488.00
Unclassified Excavation	0.00	2,829.00	2829.00	CY	\$15.10	\$42,717.90
Class S Concrete - Roadway	7,422.18	8,323.81	901.63	CY	\$627.76	\$566,010.59
Class S Concrete - Roadway (Reduction of Sextuple Box)	8,323.81	8,207.36	(116.45)	CY	\$430.50	(\$50,131.72)
Reinforcing Steel (Gr. 60) - Roadway	1,244,763.00	1,351,590.00	106,827.00	LB	\$1.26	\$134,602.02
Reinforcing Steel (Gr. 60) - Roadway (Reduction of Sextuple Box)	1,351,590.00	1,341,220.00	(10,370.00)	LB	\$1.26	(\$13,066.20)
Placing Drainage Fill	0.00	1,268.00	1268.00	TN	\$37.35	\$47,363.10
MRB Mobilization	0.00	1.00	1.00	LS	\$21,295.73	\$21,295.73
Additional Bridge Foundation Removal	0.00	1.00	1.00	LS	\$ 16,071.20	\$16,071.20
Cost to Accelerate Work (Double Handle Material)	0.00	1.00	1.00	LS	\$172,267.39	\$172,267.39
		Total Lump Sum Change Order Amount Paid by City = \$975,000.00				

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR AND
CLERK TO ENTER INTO AN AGREEMENT WITH THE
ARKANSAS DEPARTMENT OF TRANSPORTATION
RELATED TO A THE ADDITION OF A PEDESTRIAN
TUNNEL.**

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

Section 1: That the City of Bentonville be and is hereby authorized to enter into an agreement with the Arkansas Department of Transportation for the construction of a pedestrian tunnel in connection with project CA0903, as set forth in the Change Order attached hereto as Exhibit "A".

Section 2: This resolution shall be in full force and effect from and after the date of its passage.

PASSED and APPROVED this _____ day of _____, 2020.

APPROVED:

MAYOR

ATTEST:

CITY CLERK



CHECK ALL THAT APPLY			
	Bid Award	Bid #	
x	Budget Adjustment		
	Change Order		
	Informational		
	Ordinance		
	Resolution		
	Other		

AGENDA FORM

CITY COUNCIL MEETING OF:

August 28, 2020

Submitted by:

David Wright

Department

Parks and Rec

Phone

271-6813

ACTION REQUIRED:

Budget adjustment in the amount of \$975,000.00 to recognize a reimbursable grant award from the Walton Family Foundation for construction of a new tunnel for the Razorback Greenway as part of the Bella Vista Bypass project.

COST TO CITY:

Cost of this Request:

Additional Budget Amount

☒ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE





Memo



To: City Council, Mayor Orman
From: David Wright, Parks and Recreation Director
Date: August 13, 2020
Re: City Council approval of budget adjustment, in the amount of \$975,000 to recognize revenue from a reimbursable grant for the construction of a tunnel on the Razorback Greenway at the Bella Vista Bypass.

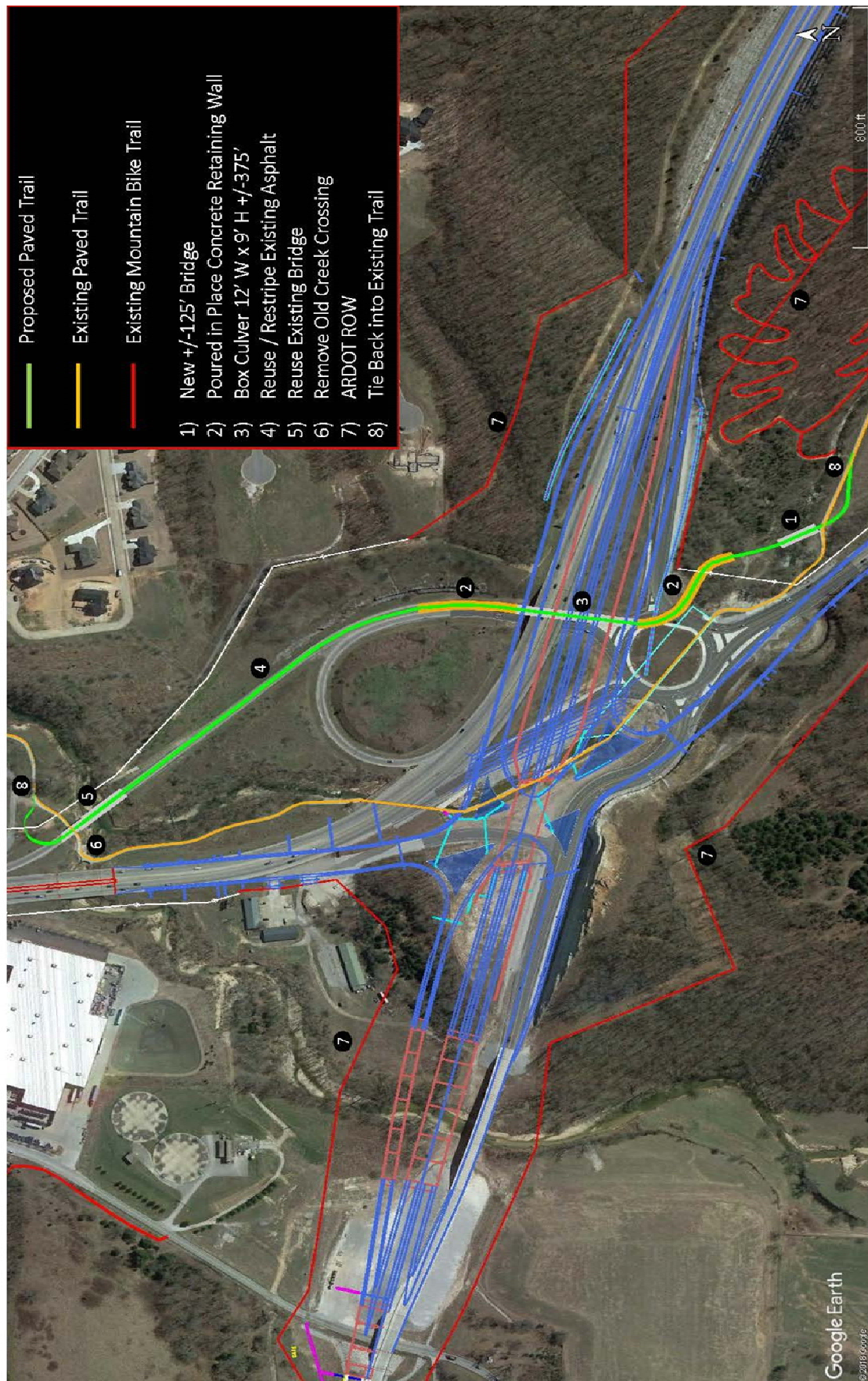
City Staff is seeking City Council's approval of a budget adjustment to recognize a grant award in the amount of \$975,000 for the construction of a tunnel as part of the Bella Vista Bypass project.

You may be aware the current tunnel under Walton Blvd and Interstate 49 / Hwy 71 often fills with water during rain events. In fact, most rain events force Parks and Recreation to close the trail for many hours or sometimes days. Transportation and Parks and Recreation Staff have worked with Arkansas Department of Transportation, the Trailblazers and the Walton Family Foundation to create a new route associated with this new project rerouting the trail away from the creek and into an area that should rarely flood. In addition, the new route will eliminate a second problem area further north that has experienced extensive damage from flood events. This project will recreate a trail that is much more user and maintenance friendly.

The project must be completed in two phases, first the tunnel through the bypass must be constructed. This grant pays ARDoT to move forward with construction of that new tunnel. The City will authorize ARDoT to move forward the project (in form of a Change Order to their project) and the Walton Family Foundation will reimburse us. The next step will be to design and construct the approaches to the tunnel. The Trailblazers are already working on these designs and plan to provide to the City at no cost. The City currently has one grant, in the amount of \$250,000 for this project and we are optimistic we will be awarded another grant to assist with this project.

If you have any questions regarding this item, please email me at dwright@bentonvillear.com. If I cannot answer your question(s), I will forward them to the appropriate department.

Attachments:
Grant Award Letter from Walton Family Foundation
Trail Design



WALTON FAMILY
FOUNDATION

August 14, 2020

Mayor Stephanie Orman
City of Bentonville
117 West Central Boulevard
Bentonville, AR 72712

RE: Grant 00103611

Dear Stephanie,

At the Walton Family Foundation, we work to tackle tough social and environmental problems with urgency and a long-term approach to create access to opportunity for people and communities. To do this, we know we must work with individuals and groups closest to these challenges because they often have the most thoughtful, insightful solutions.

As we support efforts to improve K-12 education, protect our rivers and oceans and the livelihoods they support, and promote quality of life in our Home Region, we look to groups like yours. I am pleased to inform you that your grant request has been approved in the amount of \$975,000.00 to construct a bicycle and pedestrian tunnel on the Razorback Regional Greenway at the I-49/N. Walton interchange. The grant funds are subject to the terms attached, and you should receive the funds within 14 days. If you have any questions, please contact HomeRegion@wffmail.com and reference Grant 00103611.

On behalf of the Walton Family Foundation, I express my appreciation for what your organization has accomplished so far and my optimism for your future success. Together, we can have an impact that improves lives today and that will last to benefit future generations.

Sincerely,

Caryl M. Stern
Executive Director

PO Box 2030
Bentonville, AR 72712

44 Cook Street, Suite 255
Denver, CO 80206

111 Town Square Place, Suite 420
Jersey City, NJ 07310

919 18th Street, NW, Suite 400
Washington, D.C. 20006



Grant Agreement

August 14, 2020

Grant 00103611

The Walton Family Foundation, Inc. ("WFF" or "Foundation") has approved a grant in the amount of \$975,000.00 to City of Bentonville ("Grantee"). The project term will be September 01, 2020 to July 01, 2021. This grant is subject to the following terms and conditions:

1. **Purpose:** The purpose of the grant is to construct a bicycle and pedestrian tunnel on the Razorback Regional Greenway at the I-49/N. Walton interchange. This grant is more fully described in Grantee's proposal dated August 02, 2020. Grantee agrees to use all grant funds exclusively for the grant's purposes. Any changes in these purposes must be authorized in advance by the Foundation in writing.
2. **Amount: \$975,000.00 USD**

Grant payments will be made as follows:

Installment	Amount	Requirement	Date
1	\$975,000.00	Upon completion of a signed grant agreement	September 01, 2020

3. **Payable:** This grant payment of \$975,000.00 shall be initiated upon receipt of this completed agreement from Grantee acknowledging the terms and conditions set forth herein. Grantee should receive grant funds electronically within 14 days of completion.
4. **Accounting:** (a) The Foundation encourages, whenever feasible, the deposit of grant funds in an interest-bearing account. For purposes of this agreement, the term "grant funds" includes the grant and any income earned thereon.

(b) Grantee will maintain records of receipts and expenditures made in connection with the grant funds and will keep these records during the period covered by the Grantee's reporting obligations specified in paragraph 5 and for at least four years thereafter ("Maintenance Period"). Grantee will make its books and records in connection with the grant funds available for inspection by the Foundation during normal business hours as the Foundation may request at any time during the Maintenance Period.
5. **Reporting and Evaluation:** Grantee will provide the Foundation with reports by the due dates listed in the report schedule below. Each report shall include an account of expenditures of grant funds, and a brief narrative of what was accomplished (including a description of progress made in fulfilling the purposes of the grant and a confirmation of Grantee's compliance with the terms of the grant).

	Type	Scheduled Date
1	Update Report	February 01, 2021
2	Financial Report	July 30, 2021
3	Update Report	July 30, 2021
4	Financial Report	December 01, 2021
5	Final Report	December 01, 2021

Success will be measured against the outputs and outcomes described in Appendix A.

All reports will be sent electronically to HomeRegion@wffmail.com. Please reference Grant 00103611 on all reports submitted.

Grant payments are always contingent upon the Foundation's approval of Grantee's operations based on the above reports and the Foundation's satisfaction with such information as it chooses to obtain from other sources.

6. **Representations:** Grantee represents and warrants to the Foundation that:
 - (a) Grantee is an organization in good standing, is either an organization described in section

501(c)(3) of the Internal Revenue Code ("Code") or a governmental unit, and is not a "private foundation" described in section 509(a) of the Code. Grantee will promptly notify the Foundation of any change in Grantee's tax status under the Code.

- (b) In no event will Grantee use any grant funds:
 - (i) to carry on propaganda, or otherwise to attempt, to influence legislation;
 - (ii) to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive; or
 - (iii) to undertake any activity other than for a charitable, educational or other exempt purpose specified in section 170(c)(2)(B) of the Code.
- (c) Grantee will comply with all applicable laws and regulations.

7. **Repayment:** Grantee agrees to repay to the Foundation any portion of the grant funds not used for the grant's purposes. In addition, the Foundation may discontinue any further payments to Grantee, and may direct Grantee to repay any unexpended grant funds to the Foundation, if any of the following events occurs:

- (a) Grantee ceases to maintain its tax-exempt status as described in paragraph 6(a) above;
- (b) Grantee fails to comply with the terms of this agreement; or
- (c) There is a material change in Grantee's key personnel that in the sole opinion of the Foundation adversely affects Grantee's management of the grant.

8. **Grant Publicity:** Grant publicity related to this grant consistent with Grantee's normal practice is permitted, subject to the following provisions. The Foundation expects any announcements and other publicity to focus on Grantee's work and the project or issue funded by the grant. Recognition of the Foundation's role in funding the project is permitted, provided that the timing, content and strategic focus of such publicity should be approved by the Foundation contact listed in paragraph 11. Publicizing the grant and the Foundation in Grantee's publications and communications in a manner consistent with similar grants obtained by Grantee is permitted.

The Foundation may ask Grantee to provide illustrations, photographs, videos, recordings, information or other materials related to the grant (collectively "Grant Work Product") for use in Foundation communications including the Foundation's website, annual report, newsletters, board materials, presentations, communications and other publications. Grantee agrees to provide the Foundation with such items upon the Foundation's reasonable request and hereby grants to the Foundation and anyone acting under the authority of the Foundation a fully paid-up, world-wide, right and license to use, reproduce, display and distribute the Grant Work Product in connection with the Foundation's charitable operations and activities. In connection therewith, Grantee shall be responsible for obtaining all necessary rights and permissions from third parties for the Foundation to use the Grant Work Product for these purposes. By signing this Agreement, Grantee also acknowledges and agrees to use by the Foundation of historical, programmatic and other information relating to Grantee and the grant hereunder.

9. **Gratuities:** The Foundation desires that all of Grantee's resources be dedicated to accomplishing its philanthropic purposes. Therefore, Grantee agrees that it will not furnish the Foundation or its Board of Directors, officers, staff or affiliates with any type of benefit related to this grant including tickets, tables, memberships, commemorative items, recognition items, or any other benefit or gratuity of any kind.
10. **Contact:** For all communications regarding this grant, please contact the Foundation by email at HomeRegion@wffmail.com. Please reference Grant 00103611 in your communication.

By electronically signing this agreement the Grantee acknowledges and agrees to the terms and conditions herein. A copy of the completed document will be emailed to the Grantee through DocuSign. If the electronic signing of this agreement is not completed by August 28, 2020 the Foundation will consider the Grantee to have declined the grant.

Walton Family Foundation, Inc.

By:

Caryl M. Stern
Executive Director

City of Bentonville

By:

Stephanie Orman
Mayor

Appendix A: City of Bentonville

Performance Measures

Goal: Construct new bicycle/pedestrian tunnel at Interstate 49/N. Walton Blvd Interchange.			
Outputs And Outcomes			
Category	Who will do what and how much?	By when?	Measured or evaluated by?
Output	The City of Bentonville will enter into a formal agreement with ARDOT for the construction of a new bicycle/pedestrian tunnel with the I-49/Walton Interchange project, in coordination with Emery Sapp and Sons (the contractor).	09/30/2020	Agreement with ArDOT, confirmation of Change Order to existing contract
Output	The contractor will complete construction of at least 375 linear feet a of 12-foot wide multi-use paved tunnel that conforms to uniform design and construction standards.	05/01/2021	Inspection / Site Visit by ArDOT and City Engineering Staff.
Output	Following construction, City Staff will determine additional required infrastructure associated with the new tunnel to be installed - ie, lights, signage, etc.	07/30/2021	Report to the Parks and Recreation Board
Output	The City will apply for additional grant funding to complete the full tunnel relocation project, including the greenway trail approaches.	07/30/2021	Confirmation of grant application
Outcome	Razorback Regional Greenway usage in proximity to the tunnel in the six months following tunnel and greenway completion will meet or exceed the current usage as measured by electronic trail counters. The current baseline is 30,000 average users per month.	12/01/2021	Electronic trail counter data
Outcome	Tunnel closure due to storm water and debris will decrease by at least 50% in the six months following construction, as measured from the current average monthly baseline (baseline to be determined from city maintenance records).	12/01/2021	Maintenance reports



CHECK ALL THAT APPLY		
☐	Bid Award	Bid #
☐	Budget Adjustment	
☐	Change Order	
☐	Informational	
☐	Ordinance	
☒	Resolution	
☐	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

David Wright

Department

Parks and Rec

Phone

271-6813

ACTION REQUIRED:

Resolution authorizing the Mayor and City Clerk to enter into a professional services agreement with Flintco, LLC to provide pre-construction services for the development of the 28th Street Park Project for an amount not to exceed \$27,500.00.

COST TO CITY:

Cost of this Request: \$27,500

Additional Budget Amount

☒ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712
www.bentonvillear.com



PLEASE RECYCLE



Memo



To: City Council, Mayor Orman
From: David Wright, Parks and Recreation Director
Date: August 25, 2020
Re: Resolution for contracting with Flintco for Construction Management of the Future SW 28th Street Park

Resolution – Staff requests City Council approval for a Resolution authoring the Mayor and City Clerk to enter into a professional services agreement with Flintco, LLC to provide preconstruction service of the development of the future 28th street park for an amount not to exceed \$27,500.

Upon contract execution Flintco, LLC will commence to collaborate with the project designer EDG to provide input in finalizing the construction drawings and associated documents. The services rendered will include assistance with construction cost estimating, project constructability analysis, value engineering and other construction efficiency input and analysis. The agreement allows for an amendment to move to construction services. Acting on the amendment will require additional City Council action.

The new park will included trails, open space, tree plantings and tree preservation, a dog park, parking, a play area, a splash pad, restroom facility, an informal sports field and two cricket pitches with practice areas. Park impact fees will fund this contract.

If you have any questions regarding this item, please call me at 479.464.7275 or email dwright@bentonvillear.com.

Attachments:
Agreement with Flintco

AIA® Document A133™ – 2009

Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

AGREEMENT made as of the 25th day of August in the year 2020
(In words, indicate day, month and year.)

BETWEEN the Owner:
(Name, legal status and address)

City of Bentonville, Arkansas
117 W Central Ave
Bentonville, AR 72712

and the Construction Manager:
(Name, legal status and address)

Flintco, LLC
184 E. Fantinel Blvd.
Springdale, Arkansas 72756

for the following Project:
(Name and address or location)

City of Bentonville – Parks and Recreation SW 28th Street Park
SW 28th Street
Bentonville, AR 72712

The Architect:
(Name, legal status and address)

EDG, Ecological Design Group
314 South 3rd Street
Rogers, Arkansas 72756

The Owner's Designated Representative:
(Name, address and other information)

Wade Tomlinson, City of Bentonville, Arkansas Parks and Recreation
215 SW A Street
Bentonville, AR 72712

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

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The Construction Manager's Designated Representative:
(Name, address and other information)

Brent Farmer , Vice President, Area Manager
184 E. Fantinel Blvd.
Springdale, Arkansas 72756

The Architect's Designated Representative:
(Name, address and other information)

Martin Smith
EDG, Ecological Design Group
314 South 3rd Street
Rogers, Arkansas 72756

The Owner and Construction Manager agree as follows.

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- 3 OWNER'S RESPONSIBILITIES
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- 5 COMPENSATION FOR CONSTRUCTION PHASE SERVICES
- 6 COST OF THE WORK FOR CONSTRUCTION PHASE
- 7 PAYMENTS FOR CONSTRUCTION PHASE SERVICES
- 8 INSURANCE AND BONDS
- 9 DISPUTE RESOLUTION
- 10 TERMINATION OR SUSPENSION
- 11 MISCELLANEOUS PROVISIONS
- 12 SCOPE OF THE AGREEMENT

EXHIBIT A GUARANTEED MAXIMUM PRICE AMENDMENT

ARTICLE 1 GENERAL PROVISIONS

§ 1.1 The Contract Documents

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to the execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal, the Contract Documents will also include the documents described in Section 2.2.3 and identified in the Guaranteed Maximum Price Amendment and revisions prepared by the Architect and furnished by the Owner as described in Section 2.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern.

§ 1.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner; to furnish efficient construction administration, management services and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

§ 1.3 General Conditions

For the Preconstruction Phase, AIA Document A201™-2007, General Conditions of the Contract for Construction, shall apply only as specifically provided in this Agreement. For the Construction Phase, the general conditions of the contract shall be as set forth in A201-2007, which document is incorporated herein by reference. The term "Contractor" as used in A201-2007 shall mean the Construction Manager.

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ARTICLE 2 CONSTRUCTION MANAGER'S RESPONSIBILITIES

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 2.1 and 2.2. The Construction Manager's Construction Phase responsibilities are set forth in Section 2.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 2.1 Preconstruction Phase

§ 2.1.1 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

§ 2.1.2 Consultation

The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work. The Construction Manager shall advise the Owner and the Architect on proposed site use and improvements, selection of materials, and building systems and equipment. The Construction Manager shall also provide recommendations consistent with the Project requirements to the Owner and Architect on constructability; availability of materials and labor; time requirements for procurement, installation and construction; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions.

§ 2.1.3 When Project requirements in Section 3.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities and identify items that could affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered well in advance of construction; and the occupancy requirements of the Owner.

§ 2.1.4 Phased Construction

The Construction Manager shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, or phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities and procurement and construction scheduling issues.

§ 2.1.5 Preliminary Cost Estimates

§ 2.1.5.1 Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume or similar conceptual estimating techniques for the Architect's review and Owner's approval. If the Architect or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

§ 2.1.5.2 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, estimates of the Cost of the Work of increasing detail and refinement and allowing for the further development of the design until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. Such estimates shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect when estimates of the Cost of the Work exceed the latest approved Project budget and make recommendations for corrective action.

§ 2.1.6 Subcontractors and Suppliers

The Construction Manager shall develop bidders' interest in the Project.

§ 2.1.7 The Construction Manager shall prepare, for the Architect's review and the Owner's acceptance, a procurement schedule for items that must be ordered well in advance of construction. The Construction Manager

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shall expedite and coordinate the ordering and delivery of materials that must be ordered well in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager. Upon the establishment of the Guaranteed Maximum Price, the Owner shall assign all contracts for these items to the Construction Manager and the Construction Manager shall thereafter accept responsibility for them.

§ 2.1.8 Extent of Responsibility

The Construction Manager shall exercise reasonable care in preparing schedules and estimates. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

§ 2.1.9 Notices and Compliance with Laws

The Construction Manager shall comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi governmental authorities for inclusion in the Contract Documents.

§ 2.2 Guaranteed Maximum Price Proposal and Contract Time

§ 2.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager and in consultation with the Architect, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner's review and acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager's estimate of the Cost of the Work, including contingencies described in Section 2.2.4, and the Construction Manager's Fee.

§ 2.2.2 To the extent that the Drawings and Specifications are anticipated to require further development by the Architect, the Construction Manager shall provide in the Guaranteed Maximum Price for such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include such things as changes in scope, systems, kinds and quality of materials, finishes or equipment, all of which, if required, shall be incorporated by Change Order.

§ 2.2.3 The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 2.2.2, to supplement the information provided by the Owner and contained in the Drawings and Specifications;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, allowances, contingency, and the Construction Manager's Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

§ 2.2.4 In preparing the Construction Manager's Guaranteed Maximum Price proposal, the Construction Manager shall include its contingency for the Construction Manager's exclusive use to cover those costs considered reimbursable as the Cost of the Work but not included in a Change Order.

§ 2.2.5 The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner and Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

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§ 2.2.6 If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price Amendment amending this Agreement, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 2.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the commencement of the Construction Phase, unless the Owner provides prior written authorization for such costs.

§ 2.2.8 The Owner shall authorize the Architect to provide the revisions to the Drawings and Specifications to incorporate the agreed upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish those revised Drawings and Specifications to the Construction Manager as they are revised. The Construction Manager shall notify the Owner and Architect of any inconsistencies between the Guaranteed Maximum Price Amendment and the revised Drawings and Specifications.

§ 2.2.9 The Construction Manager shall include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes for the Work provided by the Construction Manager that are legally enacted, whether or not yet effective, at the time the Guaranteed Maximum Price Amendment is executed.

§ 2.3 Construction Phase

§ 2.3.1 General

§ 2.3.1.1 For purposes of Section 8.1.2 of A201-2007, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 2.3.1.2 The Construction Phase shall commence upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal or the Owner's issuance of a Notice to Proceed, whichever occurs earlier. The schedule for completion of the project will be provided with the Amendment to establish the Construction Manager's Guaranteed Maximum Price.

§ 2.3.2 Administration

§ 2.3.2.1 Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager's own personnel shall be performed under subcontracts or by other appropriate agreements with the Construction Manager. The Owner may designate specific persons from whom, or entities from which, the Construction Manager shall obtain bids. The Construction Manager shall obtain bids from Subcontractors and from suppliers of materials or equipment fabricated especially for the Work and shall deliver such bids to the Architect. The Owner shall then determine, with the advice of the Construction Manager and the Architect, which bids will be accepted. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection.

§ 2.3.2.2 If the Guaranteed Maximum Price has been established and when a specific bidder (1) is recommended to the Owner by the Construction Manager, (2) is qualified to perform that portion of the Work, and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Construction Manager may require that a Change Order be issued to adjust the Contract Time and the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount and time requirement of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 2.3.2.3 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the prior consent of the Owner. If the Subcontract is awarded on a cost plus a fee basis, the Construction Manager shall provide in the Subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Section 6.11 below.

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§ 2.3.2.4 If the Construction Manager recommends a specific bidder that may be considered a "related party" according to Section 6.10, then the Construction Manager shall promptly notify the Owner in writing of such relationship and notify the Owner of the specific nature of the contemplated transaction, according to Section 6.10.2.

§ 2.3.2.5 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes to the Owner and Architect.

§ 2.3.2.6 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and submittal schedule in accordance with Section 3.10 of A201-2007.

§ 2.3.2.7 The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner. The Construction Manager shall also keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

§ 2.3.2.8 The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 2.3.2.7 above.

§ 2.4 Professional Services

Section 3.12.10 of A201-2007 shall apply to both the Preconstruction and Construction Phases.

§ 2.5 Hazardous Materials

Section 10.3 of A201-2007 shall apply to both the Preconstruction and Construction Phases.

ARTICLE 3 OWNER'S RESPONSIBILITIES

§ 3.1 Information and Services Required of the Owner

§ 3.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems, sustainability and site requirements.

§ 3.1.2 Prior to the execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. Thereafter, the Construction Manager may only request such evidence if (1) the Owner fails to make payments to the Construction Manager as the Contract Documents require, (2) a change in the Work materially changes the Contract Sum, or (3) the Construction Manager identifies in writing a reasonable concern regarding the Owner's ability to make payment when due. The Owner shall furnish such evidence as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After the Owner furnishes the evidence, the Owner shall not materially vary such financial arrangements without prior notice to the Construction Manager and Architect.

§ 3.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1.1, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 3.1.4 Structural and Environmental Tests, Surveys and Reports. During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other

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information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 3.1.4.1 The Owner shall furnish tests, inspections and reports required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 3.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 3.1.4.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 3.1.4.4 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 3.2 Owner's Designated Representative

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201-2007, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 3.2.1 Legal Requirements. The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 3.3 Architect

The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document B103™-2007, Standard Form of Agreement Between Owner and Architect, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. The Owner shall provide the Construction Manager a copy of the executed agreement between the Owner and the Architect, and any further modifications to the agreement.

ARTICLE 4 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

§ 4.1 Compensation

§ 4.1.1 For the Construction Manager's Preconstruction Phase services, the Owner shall compensate the Construction Manager as follows:

The amount to be paid to Construction Manager for preconstruction services shall be on a "cost of the work" basis not to exceed 0.5% of the final GMP amount and shall include all costs necessary for delivery of these services, including all personnel costs (at the rates stipulated in Article 4.1.2 herein) as well as any misc. costs associated with the delivery of preconstruction services (printing, advertising, travel, etc.). An allowance of \$2,400 for reimbursable misc. costs has been included. Preconstruction Services will be invoiced on a monthly basis for services rendered each month at rates as identified in article. Total Preconstruction Fee shall not exceed \$27,500.00.

(Paragraph Deleted)

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4.1.2.

§ 4.1.2 For the Construction Manager's Preconstruction Phase services described in Sections 2.1 and 2.2:
(Insert amount of, or basis for, compensation and include a list of reimbursable cost items, as applicable.)

The following rates shall apply and will be billed on a timecard basis for those individuals working on this project:

Division Manager/Vice President	\$120.00 /hr.
Senior Estimator	\$90.00 /hr.
Preconstruction Manager	\$82.00 /hr.
Staff Estimator	\$62.00 /hr.
Project Manager	\$92.00 /hr.
Superintendent	\$90.00 /hr.
Scheduler	\$80.00 /hr.
Safety/Environmental Manager	\$75.00 /hr.
Contracts Administrator	\$45.00 /hr.

§ 4.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within seven (7) months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

§ 4.1.4 Compensation based on Direct Personnel Expense includes the direct salaries of the Construction Manager's personnel providing Preconstruction Phase services on the Project and the Construction Manager's costs for the mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, employee retirement plans and similar contributions.

§ 4.2 Payments

§ 4.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

§ 4.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.
(Insert rate of monthly or annual interest agreed upon.)

% maximum allowed by Arkansas Law

ARTICLE 5 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

§ 5.1 For the Construction Manager's performance of the Work as described in Section 2.3, the Owner shall pay the Construction Manager the Contract Sum in current funds. The Contract Sum is the Cost of the Work as defined in Section 6.1.1 plus the Construction Manager's Fee.

§ 5.1.1 The Construction Manager's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Construction Manager's Fee.)

The Construction Manager's fee will be set at six percent (6.00%) of the initial total Guaranteed Maximum Price.

§ 5.1.2 The method of adjustment of the Construction Manager's Fee for changes in the Work:

The Construction Manager's fee will be adjusted at the same rate established in 5.1.1 for additive changes and zero percent for deductive changes.

(Paragraph Deleted)

§ 5.1.4 Rental rates for Construction Manager-owned equipment shall not exceed the standard rate paid at the place of the Project.

§ 5.1.5 Unit prices, if any:

(Identify and state the unit price; state the quantity limitations, if any, to which the unit price will be applicable.)
shall be established in A133 Exhibit A along with the GMP.
(Table Deleted)

§ 5.2 Guaranteed Maximum Price

§ 5.2.1 The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment, as it is amended from time to time. To the extent the Cost of the Work exceeds the Guaranteed Maximum Price, the Construction Manager shall bear such costs in excess of the Guaranteed Maximum Price without reimbursement or additional compensation from the Owner.
(Insert specific provisions if the Construction Manager is to participate in any savings.)

Savings will be returned 100% to Owner.

§ 5.2.2 The Guaranteed Maximum Price is subject to additions and deductions by Change Order as provided in the Contract Documents and the Date of Substantial Completion shall be subject to adjustment as provided in the Contract Documents.

§ 5.3 Changes in the Work

§ 5.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Architect may make minor changes in the Work as provided in Section 7.4 of AIA Document A201-2007, General Conditions of the Contract for Construction. The Construction Manager shall be entitled to an equitable adjustment in the Contract Time as a result of changes in the Work.

§ 5.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Section 7.3.3 of AIA Document A201-2007, General Conditions of the Contract for Construction.

§ 5.3.3 In calculating adjustments to subcontracts (except those awarded with the Owner's prior consent on the basis of cost plus a fee), the terms "cost" and "fee" as used in Section 7.3.3.3 of AIA Document A201-2007 and the term "costs" as used in Section 7.3.7 of AIA Document A201-2007 shall have the meanings assigned to them in AIA Document A201-2007 and shall not be modified by Sections 5.1 and 5.2, Sections 6.1 through 6.7, and Section 6.8 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 5.3.4 In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in the above-referenced provisions of AIA Document A201-2007 shall mean the Cost of the Work as defined in Sections 6.1 to 6.7 of this Agreement and the term "fee" shall mean the Construction Manager's Fee as defined in Section 5.1 of this Agreement.

§ 5.3.5 If no specific provision is made in Section 5.1.2 for adjustment of the Construction Manager's Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 5.1.2 will cause substantial inequity to the Owner or Construction Manager, the Construction Manager's Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly.

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ARTICLE 6 COST OF THE WORK FOR CONSTRUCTION PHASE

§ 6.1 Costs to Be Reimbursed

§ 6.1.1 The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. Such costs shall be at rates not higher than the standard paid at the place of the Project except with prior consent of the Owner. The Cost of the Work shall include only the items set forth in Sections 6.1 through 6.7.

§ 6.1.2 Where any cost is subject to the Owner's prior approval, the Construction Manager shall obtain this approval prior to incurring the cost. The parties shall endeavor to identify any such costs prior to executing Guaranteed Maximum Price Amendment.

§ 6.2 Labor Costs

§ 6.2.1 Wages of construction workers directly employed by the Construction Manager to perform the construction of the Work at the site or, with the Owner's prior approval, at off-site workshops.

§ 6.2.2 Wages or salaries of the Construction Manager's supervisory and administrative personnel when stationed at the site with the Owner's prior approval.

(If it is intended that the wages or salaries of certain personnel stationed at the Construction Manager's principal or other offices shall be included in the Cost of the Work, identify in Section 11.5, the personnel to be included, whether for all or only part of their time, and the rates at which their time will be charged to the Work.)

Any offsite personnel or other offsite cost that may be charged to the job will be defined in Construction Manager's General Conditions and approved by the owner during review of the General Conditions prior to executing the GMP.

§ 6.2.3 Wages and salaries of the Construction Manager's supervisory or administrative personnel engaged at factories, workshops or on the road, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 6.2.4 Costs paid or incurred by the Construction Manager for taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements and, for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 6.2.1 through 6.2.3.

§ 6.2.5 Bonuses, profit sharing, incentive compensation and any other discretionary payments paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, with the Owner's prior approval.

§ 6.3 Subcontract Costs

Payments made or cost incurred by the Construction Manager to Subcontractors in accordance with the requirements of the subcontracts.

§ 6.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 6.4.1 Costs, including transportation and storage, of materials and equipment incorporated or to be incorporated in the completed construction.

§ 6.4.2 Costs of materials described in the preceding Section 6.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ 6.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 6.5.1 Costs including transportation, storage, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools, which are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment and tools that are not fully consumed shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

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§ 6.5.2 Rental charges for temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and costs of transportation, installation, minor repairs, dismantling and removal. The total rental cost of any Construction Manager-owned item may not exceed the purchase price of any comparable item. Rates of Construction Manager-owned equipment and quantities of equipment shall be subject to the Owner's prior approval.

§ 6.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 6.5.4 Costs of document reproductions, facsimile transmissions and long-distance telephone calls, postage and parcel delivery charges, telephone service at the site and reasonable petty cash expenses of the site office.

§ 6.5.5 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ 6.5.6 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's approval.

§ 6.6 Miscellaneous Costs

§ 6.6.1 Premiums for that portion of insurance and bonds, including premiums for Subcontractor and Supplier Default Insurance which shall be maintained by the Construction Manager, or as required by the Contract Documents that can be directly attributed to this Contract. Self-insurance for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's approval.

§ 6.6.2 Sales, use or similar taxes imposed by a governmental authority that are related to the Work and for which the Construction Manager is liable.

§ 6.6.3 Fees and assessments for the building permit and for other permits, licenses and inspections for which the Construction Manager is required by the Contract Documents to pay.

§ 6.6.4 Fees of laboratories for tests required by the Contract Documents, except those related to defective or nonconforming Work for which reimbursement is excluded by Section 13.5.3 of AIA Document A201-2007 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 6.7.3.

§ 6.6.5 Royalties and license fees paid for the use of a particular design, process or product required by the Contract Documents; the cost of defending suits or claims for infringement of patent rights arising from such requirement of the Contract Documents; and payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims and payments of settlements made with the Owner's consent. However, such costs of legal defenses, judgments and settlements shall not be included in the calculation of the Construction Manager's Fee or subject to the Guaranteed Maximum Price. If such royalties, fees and costs are excluded by the last sentence of Section 3.17 of AIA Document A201-2007 or other provisions of the Contract Documents, then they shall not be included in the Cost of the Work.

§ 6.6.6 Costs for electronic equipment and software, directly related to the Work.

§ 6.6.7 Deposits lost for causes other than the Construction Manager's negligence or failure to fulfill a specific responsibility in the Contract Documents.

§ 6.6.8 Legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Construction Manager, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner's prior approval, which shall not be unreasonably withheld.

§ 6.6.9 Subject to the Owner's approval, expenses incurred in accordance with the Construction Manager's standard written personnel policy for relocation and temporary living allowances of the Construction Manager's personnel required for the Work.

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§ 6.7 Other Costs and Emergencies

§ 6.7.1 Other costs incurred in the performance of the Work if, and to the extent, by the Owner.

§ 6.7.2 Costs incurred in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property, as provided in Section 10.4 of AIA Document A201-2007.

§ 6.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors or suppliers, provided that such damaged or nonconforming Work was not caused by negligence or failure to fulfill a specific responsibility of the Construction Manager and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 6.7.4 The costs described in Sections 6.1 through 6.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201-2007 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 6.8.

§ 6.8 Costs Not To Be Reimbursed

§ 6.8.1 The Cost of the Work shall not include the items listed below, with exception to items presented and approved by Owner during review of General Conditions and Project Requirements:

- .1 Salaries and other compensation of the Construction Manager's personnel stationed at the Construction Manager's principal office or offices other than the site office, except as specifically provided in Section 6.2, or as may be provided in Article 11;
- .2 Expenses of the Construction Manager's principal office and offices other than the site office;
- .3 Overhead and general expenses, except as may be expressly included in Sections 6.1 to 6.7;
- .4 The Construction Manager's capital expenses, including interest on the Construction Manager's capital employed for the Work;
- .5 Except as provided in Section 6.7.3 of this Agreement, costs due to the negligence or failure of the Construction Manager, Subcontractors and suppliers or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable to fulfill a specific responsibility of the Contract;
- .6 Any cost not specifically and expressly described in Sections 6.1 to 6.7;
- .7 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded; and
- .8 Costs for services incurred during the Preconstruction Phase (except as modified in Section 4.1.2).

§ 6.9 Discounts, Rebates and Refunds

§ 6.9.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included them in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 6.9.2 Amounts that accrue to the Owner in accordance with the provisions of Section 6.9.1 shall be credited to the Owner as a deduction from the Cost of the Work.

§ 6.10 Related Party Transactions

§ 6.10.1 For purposes of Section 6.10, the term "related party" shall mean a parent, subsidiary, affiliate or other entity having common ownership or management with the Construction Manager; any entity in which any stockholder in, or management employee of, the Construction Manager owns any interest in excess of ten percent in the aggregate; or any person or entity which has the right to control the business or affairs of the Construction Manager. The term "related party" includes any member of the immediate family of any person identified above.

§ 6.10.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work.

equipment, goods or service from the related party, as a Subcontractor, according to the terms of Sections 2.3.2.1, 2.3.2.2 and 2.3.2.3. If the Owner fails to authorize the transaction, the Construction Manager shall procure the Work, equipment, goods or service from some person or entity other than a related party according to the terms of Sections 2.3.2.1, 2.3.2.2 and 2.3.2.3.

§ 6.11 Accounting Records

The Construction Manager shall keep full and detailed records and accounts related to the cost of the Work and exercise such controls as may be necessary for proper financial management under this Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, purchase orders, vouchers, memoranda and other data relating to this Contract. The Construction Manager shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

ARTICLE 7 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

§ 7.1 Progress Payments

§ 7.1.1 Based upon Applications for Payment submitted to the Architect by the Construction Manager and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Construction Manager as provided below and elsewhere in the Contract Documents.

§ 7.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month,

§ 7.1.3 Provided that an Application for Payment is received by the Architect not later than the last day of a month, the Owner shall make payment of the certified amount to the Construction Manager not later than the 15th day of the following month. If an Application for Payment is received by the Architect after the application date fixed above, payment shall be made by the Owner not later than twenty (20) days after the Architect receives the Application for Payment.

(Federal, state or local laws may require payment within a certain period of time.)

§ 7.1.4 With each Application for Payment, the Construction Manager shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Architect to demonstrate that cash disbursements already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, less that portion of those payments attributable to the Construction Manager's Fee, plus payrolls for the period covered by the present Application for Payment.

§ 7.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among the various portions of the Work, except that the Construction Manager's Fee shall be shown as a single separate item. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 7.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work for which the Construction Manager has made or intends to make actual payment prior to the next Application for Payment by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

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§ 7.1.7 Subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

- .1 Take that portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.9 of AIA Document A201-2007;
- .2 Add that portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work, or if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 Add the Construction Manager's Fee, less retainage of five percent (5 %). The Construction Manager's Fee shall be computed upon the Cost of the Work at the rate stated in Section 5.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, shall be an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .4 Subtract retainage of five percent (5 %) from that portion of the Work that the Construction Manager self-performs;
- .5 Subtract the aggregate of previous payments made by the Owner;
- .6 Subtract the shortfall, if any, indicated by the Construction Manager in the documentation required by Section 7.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .7 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Section 9.5 of AIA Document A201-2007.

§ 7.1.8

§ 7.1.9

§ 7.1.10 In taking action on the Construction Manager's Applications for Payment, the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager and shall not be deemed to represent that the Architect has made a detailed examination, audit or arithmetic verification of the documentation submitted in accordance with Section 7.1.4 or other supporting data; that the Architect has made exhaustive or continuous on-site inspections; or that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ 7.2 Final Payment

§ 7.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Contract except for the Construction Manager's responsibility to correct Work as provided in Section 12.2.2 of AIA Document A201-2007, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Architect.

The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment.

§ 7.2.2 The Owner's auditors will review and report in writing on the Construction Manager's final accounting within 30 days after delivery of the final accounting to the Architect by the Construction Manager. Based upon such Cost of the Work as the Owner's auditors report to be substantiated by the Construction Manager's final accounting, and provided the other conditions of Section 7.2.1 have been met, the Architect will, within seven days after receipt of the written report of the Owner's auditors, either issue to the Owner a final Certificate for Payment with a copy to

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the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Section 9.5.1 of the AIA Document A201-2007. The time periods stated in this Section supersede those stated in Section 9.4.1 of the AIA Document A201-2007. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 7.2.3 If the Owner's auditors report the Cost of the Work as substantiated by the Construction Manager's final accounting to be less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Section 15.2 of A201-2007. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 7.2.4 If, subsequent to final payment and at the Owner's request, the Construction Manager incurs costs described in Section 6.1.1 and not excluded by Section 6.8 to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager such costs and the Construction Manager's Fee applicable thereto on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If the Construction Manager has participated in savings as provided in Section 5.2.1, the amount of such savings shall be recalculated and appropriate credit given to the Owner in determining the net amount to be paid by the Owner to the Construction Manager.

ARTICLE 8 INSURANCE AND BONDS

For all phases of the Project, the Construction Manager and the Owner shall purchase and maintain insurance, and the Construction Manager shall provide bonds as set forth in Article 11 of AIA Document A201-2007.

(State bonding requirements, if any, and limits of liability for insurance required in Article 11 of AIA Document A201-2007.)

Type of Insurance or Bond	Limit of Liability or Bond Amount (\$0.00)
Workers Compensation and Employers' Liability	Statutory Limits
Commercial General Liability	\$1,000,000 Each Occurrence \$10,000 Medical Expense (any one person) \$2,000,000 General Aggregate \$1,000,000 Personal and Advertising Injury \$2,000,000 Product-Completed Operations Aggregate
Automobile Liability (owned, non-owned and hired vehicles) for bodily injury and property damage	\$1,000,000 Combined Single Limit (each accident)
Builders Risk Insurance will be provided by Flintco.	
Owner will provide Property Insurance.	
Performance and Payment Bonds equal to 100% of the contract value will be provided by Flintco.	

ARTICLE 9 DISPUTE RESOLUTION

§ 9.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 9 and Article 15 of A201-2007. However, for Claims arising from or relating to the Construction Manager's Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 9.3 of this Agreement shall not apply.

init.

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§ 9.2 For any Claim subject to, but not resolved by mediation pursuant to Section 15.3 of AIA Document A201–2007, the method of binding dispute resolution shall be as follows:

(Check the appropriate box. If the Owner and Construction Manager do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.)

☐ Arbitration pursuant to Section 15.4 of AIA Document A201–2007

☒ Litigation in a court of competent jurisdiction

☐ Other: *(Specify)*

§ 9.3 Initial Decision Maker

The Architect will serve as the Initial Decision Maker pursuant to Section 15.2 of AIA Document A201–2007 for Claims arising from or relating to the Construction Manager's Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker.

(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)

ARTICLE 10 TERMINATION OR SUSPENSION

§ 10.1 Termination Prior to Establishment of the Guaranteed Maximum Price

§ 10.1.1 Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager for the Owner's convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner, for the reasons set forth in Section 14.1.1 of A201–2007.

§ 10.1.2 In the event of termination of this Agreement pursuant to Section 10.1.1, the Construction Manager shall be equitably compensated for Preconstruction Phase services performed prior to receipt of a notice of termination. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 4.1.

§ 10.1.3 If the Owner terminates the Contract pursuant to Section 10.1.1 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 10.1.2:

1. Take the Cost of the Work incurred by the Construction Manager to the date of termination;
2. Add the Construction Manager's Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 5.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
3. Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager which the Owner elects to retain and which is not otherwise included in the Cost of the Work under Section 10.1.3.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 10, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction

Init.

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Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts, purchase orders and rental agreements entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described above, the Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs necessarily incurred by the Construction Manager because of such termination.

§ 10.2 Termination Subsequent to Establishing Guaranteed Maximum Price

Following execution of the Guaranteed Maximum Price Amendment and subject to the provisions of Section 10.2.1 and 10.2.2 below, the Contract may be terminated as provided in Article 14 of AIA Document A201-2007.

§ 10.2.1 If the Owner terminates the Contract after execution of the Guaranteed Maximum Price Amendment, the amount payable to the Construction Manager pursuant to Sections 14.2 and 14.4 of A201-2007 shall not exceed the amount the Construction Manager would otherwise have received pursuant to Sections 10.1.2 and 10.1.3 of this Agreement.

§ 10.2.2 If the Construction Manager terminates the Contract after execution of the Guaranteed Maximum Price Amendment, the amount payable to the Construction Manager under Section 14.1.3 of A201-2007 shall not exceed the amount the Construction Manager would otherwise have received under Sections 10.1.2 and 10.1.3 above, except that the Construction Manager's Fee shall be calculated as if the Work had been fully completed by the Construction Manager, utilizing as necessary a reasonable estimate of the Cost of the Work for Work not actually completed.

§ 10.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201-2007. In such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Section 14.3.2 of AIA Document A201-2007, except that the term "profit" shall be understood to mean the Construction Manager's Fee as described in Sections 5.1 and 5.3.5 of this Agreement.

ARTICLE 11 MISCELLANEOUS PROVISIONS

§ 11.1 Terms in this Agreement shall have the same meaning as those in A201-2007.

§ 11.2 Ownership and Use of Documents

Section 1.5 of A201-2007 shall apply to both the Preconstruction and Construction Phases.

§ 11.3 Governing Law

Section 13.1 of A201-2007 shall apply to both the Preconstruction and Construction Phases.

§ 11.4 Assignment

The Owner and Construction Manager, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Construction Manager shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement. Except as provided in Section 13.2.2 of A201-2007, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 11.5 Other provisions:

none

init.

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ARTICLE 12 SCOPE OF THE AGREEMENT

§ 12.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 12.2 The following documents comprise the Agreement:

- .1 AIA Document A133–2009, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price
- .2 AIA Document A201–2007, General Conditions of the Contract for Construction

| (Paragraph Deleted)

| (Paragraph Deleted)

| (Paragraphs Deleted)

This Agreement is entered into as of the day and year first written above

OWNER(Signature)
Stephanie Orman, Mayor

(Printed name and title)

CONSTRUCTION MANAGER(Signature)
Brent Farmer, Vice President, Area Manager

(Printed name and title)

init.

/

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PAGE 1

AGREEMENT made as of the 25th day of August in the year 2020

City of Bentonville, Arkansas
117 W Central Ave
Bentonville, AR 72712

Flintco, LLC
184 E. Fantinel Blvd.
Springdale, Arkansas 72756

City of Bentonville – Parks and Recreation SW 28th Street Park
SW 28th Street
Bentonville, AR 72712

EDG, Ecological Design Group
314 South 3rd Street
Rogers, Arkansas 72756

Wade Tomlinson, City of Bentonville, Arkansas Parks and Recreation
215 SW A Street
Bentonville, AR 72712

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PAGE 2

Brent Farmer, Vice President, Area Manager
184 E. Fantinel Blvd.
Springdale, Arkansas 72756

...

Martin Smith
EDG, Ecological Design Group
314 South 3rd Street
Rogers, Arkansas 72756

PAGE 3

TABLE OF ARTICLES

PAGE 6

§ 2.3.1.2 The Construction Phase shall commence upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal or the Owner's issuance of a Notice to Proceed, whichever occurs earlier. The schedule for completion of the project will be provided with the Amendment to establish the Construction Manager's Guaranteed Maximum Price.

...

§ 2.3.2.3 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the prior consent of the Owner. If the Subcontract is awarded on a cost plus a fee basis, the Construction Manager shall provide in the Subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Section 6.11 below.

PAGE 8

The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document ~~B-133™-2014, B103™-2007~~, Standard Form of Agreement Between Owner and Architect, ~~Construction Manager as Constructor Edition~~, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. The Owner shall provide the Construction Manager a copy of the executed agreement between the Owner and the Architect, and any further modifications to the agreement.

...

The amount to be paid to Construction Manager for preconstruction services shall be on a "cost of the work" basis not to exceed 0.5% of the final GMP amount and shall include all costs necessary for delivery of these services.

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including all personnel costs (at the rates stipulated in Article 4.1.2 herein) as well as any misc. costs associated with the delivery of preconstruction services (printing, advertising, travel, etc.). An allowance of \$2,400 for reimbursable misc. costs has been included. Preconstruction Services will be invoiced on a monthly basis for services rendered each month at rates as identified in article. Total Preconstruction Fee shall not exceed \$27,500.00.

...

§

PAGE 9

4.1.2.

...

§ 4.1.2 For the Construction Manager's Preconstruction Phase services described in Sections 2.1 and 2.2:

...

The following rates shall apply and will be billed on a timecard basis for those individuals working on this project:

Division Manager/Vice President	\$120.00 /hr.
Senior Estimator	\$90.00 /hr.
Preconstruction Manager	\$82.00 /hr.
Staff Estimator	\$62.00 /hr.
Project Manager	\$92.00 /hr.
Superintendent	\$90.00 /hr.
Scheduler	\$80.00 /hr.
Safety/Environmental Manager	\$75.00 /hr.
Contracts Administrator	\$45.00 /hr.

...

§ 4.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within seven (7) months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

...

§ 4.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.

...

% maximum allowed by Arkansas Law

...

The Construction Manager's fee will be set at six percent (6.00%) of the initial total Guaranteed Maximum Price.

...

The Construction Manager's fee will be adjusted at the same rate established in 5.1.1 for additive changes and zero percent for deductive changes.

...

§ 5.1.3 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

PAGE 10

§ 5.1.4 Rental rates for Construction Manager-owned equipment shall not exceed percent (+ %) of the standard rate paid at the place of the Project.

...

shall be established in A133 Exhibit A along with the GMP.

...

Item	Units and Limitations	Price per Unit (\$0.00)
------	-----------------------	-------------------------

...

Savings will be returned 100% to Owner.

PAGE 11

Any offsite personnel or other offsite cost that may be charged to the job will be defined in Construction Manager's General Conditions and approved by the owner during review of the General Conditions prior to executing the GMP.

...

Payments made or cost incurred by the Construction Manager to Subcontractors in accordance with the requirements of the subcontracts.

...

§ 6.5.1 Costs ~~of including~~ transportation, storage, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools ~~not customarily owned by construction workers that tools, which~~ are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment and tools that are not fully consumed shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

PAGE 12

§ 6.5.6 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's ~~prior~~ approval.

...

§ 6.6.1 Premiums for that portion of insurance and ~~bonds-bonds~~, including premiums for Subcontractor and Supplier Default Insurance which shall be maintained by the Construction Manager, or as required by the Contract

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Documents that can be directly attributed to this Contract. Self-insurance for either full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior approval.

...

§ 6.6.6 Costs for electronic equipment and software, directly related to the Work with the Owner's prior approval. Work.

...

§ 6.6.9 Subject to the Owner's prior approval, expenses incurred in accordance with the Construction Manager's standard written personnel policy for relocation and temporary living allowances of the Construction Manager's personnel required for the Work.

PAGE 13

§ 6.7.1 Other costs incurred in the performance of the Work if, and to the extent, approved in advance in writing by the Owner.

...

§ 6.8.1 The Cost of the Work shall not include the items listed below: below, with exception to items presented and approved by Owner during review of General Conditions and Project Requirements.

...

- .8 Costs for services incurred during the Preconstruction Phase Phase (except as modified in Section 4.1.2.

PAGE 14

§ 7.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

...

§ 7.1.3 Provided that an Application for Payment is received by the Architect not later than the last day of a month, the Owner shall make payment of the certified amount to the Construction Manager not later than the 15th day of the following month. If an Application for Payment is received by the Architect after the application date fixed above, payment shall be made by the Owner not later than twenty (20) days after the Architect receives the Application for Payment.

PAGE 15

- .3 Add the Construction Manager's Fee, less retainage of five percent (5 %). The Construction Manager's Fee shall be computed upon the Cost of the Work at the rate stated in Section 5.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, shall be an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work bears to a reasonable estimate of the probable Cost of the Work upon its completion;

...

- .4 Subtract retainage of five percent (5 %) from that portion of the Work that the Construction Manager self-performs;

...

§ 7.1.8 The Owner and Construction Manager shall agree upon (1) a mutually acceptable procedure for review and approval of payments to Subcontractors and (2) the percentage of retainage held on Subcontracts, and the Construction Manager shall execute subcontracts in accordance with those agreements.

...

§ 7.1.9 Except with the Owner's prior approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

...

The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for ~~Payment~~, or as follows: Payment.

PAGE 16

<u>Type of Insurance or Bond</u>	<u>Limit of Liability or Bond Amount (\$0.00)</u>
<u>Workers Compensation and Employers' Liability</u>	<u>Statutory Limits</u>
<u>Commercial General Liability</u>	<u>\$1,000,000 Each Occurrence</u> <u>\$10,000 Medical Expense (any one person)</u> <u>\$2,000,000 General Aggregate</u> <u>\$1,000,000 Personal and Advertising Injury</u> <u>\$2,000,000 Product-Completed Operations Aggregate</u>
<u>Automobile Liability (owned, non-owned and hired vehicles) for bodily injury and property damage</u>	<u>\$1,000,000 Combined Single Limit (each accident)</u>
<u>Builders Risk Insurance will be provided by Flintco.</u>	
<u>Owner will provide Property Insurance.</u>	
<u>Performance and Payment Bonds equal to 100% of the contract value will be provided by Flintco.</u>	

<u>Type of Insurance or Bond</u>	<u>Limit of Liability or Bond Amount (\$0.00)</u>
----------------------------------	---

PAGE 17

[X] Litigation in a court of competent jurisdiction

PAGE 18

none

PAGE 19

3—AIA Document E201™ 2007, Digital Data Protocol Exhibit, if completed, or the following:

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(389ADA55)

...

~~4~~ AIA Document E202™ 2008, Building Information Modeling Protocol Exhibit, if completed, or the following:

...

~~5~~ Other documents:

...

(List other documents, if any, forming part of the Agreement.)

...

Stephanie Orman, Mayor

Brent Farmer, Vice President, Area Manager

Certification of Document's Authenticity
AIA® Document D401™ – 2003

I, Brent Farmer, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 15:14:37 ET on 08/05/2020 under Order No. 9272928373 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document A133™ - 2009, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.

(Signed) _____

(Title) _____

(Dated) _____

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RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND
CLERK TO ENTER INTO AN AGREEMENT WITH
FLINTCO, LLC FOR PRE-CONSTRUCTION
PROFESSIONAL SERVICES RELATED TO THE 28TH
STREET PARK.

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

Section 1: That the Mayor and Clerk be and are hereby authorized to enter into an
Agreement with Flintco, LLC, to provide pre-construction professional services related to the
28th Street Park, as set forth in the agreement attached hereto as Exhibit "A".

Section 2: This resolution shall be in full force and effect from and after the date of
its passage.

PASSED and APPROVED this _____ day of _____, 2020.

APPROVED:

MAYOR

ATTEST:

CITY CLERK



CHECK ALL THAT APPLY			
	Bid Award	Bid #	
x	Budget Adjustment		
	Change Order		
	Informational		
	Ordinance		
	Resolution		
	Other		

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

David Wright

Department

Parks and Rec

Phone

271-6813

ACTION REQUIRED:

Budget Adjustment in the amount of \$27,500.00 to fund the construction manager contract for the 28th Street Park project.

COST TO CITY:

Cost of this Request: \$27,500

Additional Budget Amount

☒ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE





Date of Request: August 20, 2020

Justification: Budget adjustment allows for Parks and Recreation Staff to move forward with selecting Flinco, LLC., as the Construction Manager for the 28th Street Park.	
---	--

Date: _____ Date entered: _____ By: _____

Revised 5/1/07



PLEASE RECYCLE



Memo

To: Mayor Stephanie Orman & the Bentonville City Council
From: Kalene Griffith, President & CEO of Visit Bentonville
cc:
Date: August 4, 2020
Re: Correction of term dates for Lee Culpepper & Daniel Hintz

This memo informs you that the original term dates for Lee Culpepper as an at-large representative and Daniel Hintz as the lodging representative for the Bentonville Advertising & Promotions Commission were inadvertently listed incorrectly.

The correct date for both representatives is January 1, 2020, through December 31, 2023.

We kindly ask that the correct dates listed above be placed on the record as the accurate timeline for their terms.

Please let me know if you have any questions.



July, 2020

Mayor Stephanie Orman
City of Bentonville
117 West Central
Bentonville, Arkansas 72712

Dear Mayor:

On December 12, 2019, the Bentonville Advertising & Promotion Commission voted to submit to the City Council for their approval:

The reappointment of **Lee Culpepper** as an at-large representative on the commission. This is his second term on the commission.

The term for this seat is January 1, 2020 through December 31, 2023.

For your convenience, we are enclosing a copy of his application and Commission terms summary.

Please let me know, if you have any questions.

Sincerely,

A solid black rectangular box used to redact the signature of Kalene Griffith.

Kalene Griffith
President

104 E. Central Ave. · Bentonville, Arkansas 72712 · (479) 271-9153 · toll free (800) 410-2535



July, 27, 2020

Mayor Stephanie Orman
City of Bentonville
117 West Central
Bentonville, Arkansas 72712

Dear Mayor:

On June 25, 2020, the Bentonville Advertising & Promotion Commission voted to submit to the City Council for their approval:

The appointment of **Daniel Hintz** as a lodging representative on the commission. This is his first term on the commission.

The term for this seat is January 1, 2020 through December 31, 2023.

For your convenience, we are enclosing a copy his application and Commission terms summary.

Please let me know, if you have any questions.

Sincerely,



Kalene Griffith
President

104 E. Central Ave. · Bentonville, Arkansas 72712 · (479) 271-9153 · toll free (800) 410-2535



CHECK ALL THAT APPLY		
	Bid Award	Bid #
	Budget Adjustment	
	Change Order	
	Informational	
x	Ordinance	
	Resolution	
	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Jon Simpson

Department

Police

Phone

271-3172

ACTION REQUIRED:

Ordinance for a Waiver of Bid for the City's 2019-2020 portion of Benton County's five year Contract with AT&T, for E-9-1-1 Call Handling Equipment, for purposes of receiving and transporting E-9-1-1 calls. Due to Benton County owning the Contract for this equipment with AT&T, it is not feasible for the City to competitively bid this purchase. The actual payment to AT&T for the City's 2019-2020 portion is prorated for seven months (approximately \$21,329.00); in years two through five, the City's portion will be approximately \$36,570.00 annually. Pricing is in accordance with the HGACBuyEC-07-17 Cooperative Contract. See attached Memo and the signed Contract between Benton County and AT&T for additional information.

COST TO CITY:

Cost of this Request:

Additional Budget Amount

☐ One time amount

☐ Continuing O and M

Previously Budgeted	\$
Funds Expended to Date	
Remaining Budget	-
Budget Adjustment	-
Remaining After Adjustment	\$ -

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE



REQUEST FOR WAIVER OF BID

Date	<u>8/25/2020</u>		
Requested by:	<u>Chief Jon Simpson</u>		
Department:	<u>Police Department</u>		
DESCRIPTION OF REQUEST:			
Type of Equipment:	<u>Emergency 9-1-1 Handling Equipment</u>		
Year & Model:	<u></u>		
Serial #	<u>None</u>		
To Be Purchased From:	<u>Southwestern Bell Telephone company d/b/a AT&T Arkansas</u>		
	<u>PO Box 5020</u>		
	<u>Carrol Stream IL 60197</u>		
Amount:	Base Amount:		<u>\$34,500.00</u>
	Tax:		<u>\$ 2,070.00</u>
	*Other:		<u></u>
	TOTAL		<u>\$ 36,570.00</u>
* List all other costs: (not to exceed above detailed budgeted amount)			
JUSTIFICATION FOR REQUEST FOR WAIVER OF BID:			
<u>Emergency 9-1-1 handling equipment. See Memorandum.</u>			
<u>Department Head</u>		<u>Director of Finance & Administration</u>	
Revised 6-18-99			



MEMORANDUM

To: City Council Members
From: Chief Jon Simpson/Captain John Hubbard
Subject: Emergency 9-1-1 Call Handling Equipment
Date: August 25, 2020

Please accept this Memorandum to better explain the Waiver of Bid Request for Emergency 9-1-1 call handling equipment.

Benton County Administration has lawful oversight of the 9-1-1 Public Safety Answering Points (PSAP), as established in the county. There are currently four primary PSAP's and one secondary PSAP in Benton County. One of the primary PSAP's is operated by the City of Bentonville Police Department. We currently operate five 9-1-1 consoles with the equipment currently housed in our Emergency Communications Center. Funding for the PSAP's 9-1-1 answering software and hardware/equipment (including ours) has historically been funded by landline telephone taxes. These tax dollars would go directly to Benton County and were used in part to purchase each PSAP's 9-1-1 phone lines and equipment as well as data/phone lines and service.

Over the past several years, landline taxes have decreased due to the change in telephone technology (cellular phone and Voice Over Internet Protocol or VOIP). Cellphone taxes have been increased due to these technology changes and created a shortfall in landline tax money to fund the 9-1-1 service for Benton County. These cellular taxes go directly to the city hosting the PSAP, such as the City of Bentonville. For the City of Bentonville to continue the direct answering of 9-1-1 calls originating within the corporate city limits of Bentonville, we have previously been asked to pay 50% of the costs to purchase the 9-1-1 equipment that is installed in the City of Bentonville PSAP. Emergency 9-1-1 technology has been updated/upgraded every 5 years consistent with the City of Bentonville's technology needs. 2020 marks the renewal mark for this equipment, but has been planned and in the works by Benton County since 2019 via a contract through AT&T. In anticipation of this, our 2020 budget includes \$36,570 (approximately \$3,047.50 per month when all applicable taxes are included) which is 50% of the agreed shared costs. The budgeted amount will easily cover the seven remaining months of this year in which this agreement has become active.



Benton County, AR.

Robert McGowen
215 E. Central Avenue
Bentonville, AR. 72712
www.BentonCountyAr.gov

August 14, 2020

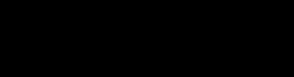
To Whom it May Concern:

Benton County 911 Administration signed a contract with ATT to upgrade the 911 system county wide. The county signed the contract because with the purchase of 24 positions we were able to reduce the cost from \$80,000.00 per position to \$69,000.00 per position.

911 Administration has previously paid for all of the upgrades to 911 equipment across the county. Because of the loss of revenue due to the reduction in the number of landlines, 911 Administration is not able to pay for the entire cost of the upgrade. 911 Administration is paying half of the total cost upfront and request that each entity with 911 equipment pay the additional cost over a five-year period. ATT will bill each entity separately at the cost of \$575.00 per 911 position, plus tax.

If you have any questions please don't hesitate to contact me at 479-271-1004.

Regards,



Robert McGowen, MS, CEM
Administrator of Public Safety



150497UA

AT&T MA Reference No. 150497UA

**AT&T HOSTED E 9-1-1 SERVICE
Pricing Schedule**

CUSTOMER Legal Name ("Customer") Benton County Arkansas	AT&T ("AT&T") Southwestern Bell Telephone Company, d/b/a AT&T Arkansas
CUSTOMER Address Street Address: 215 E Central Ave City: Bentonville State / Province: AR Country: USA Domestic / Intl / Zip Code: 72712	AT&T Address One AT&T Way Bedminster, NJ 07921-0752 Attn: Master Agreement Support Team E-mail: mast@att.com
CUSTOMER Contact (for Contract Notices) Name: Robert McGowen Title: Administrator of Public Safety Telephone: 479-271-1004 Fax: Email: Robert.McGowen@bentoncountyar.gov	AT&T Branch Sales Contact Information ☒ Primary Sales Contact Name: Justin L. Vaughn Street Address: 1111 W. Capital Ave. RM 585 City: Little Rock State / Province: AR Country: USA Domestic / Intl / Zip Code: 72201 Telephone : 816-808-7264 Email : jv6080@att.com Sales/Branch Manager: Dustin Alexander SCVP Name: Pat Thetford
CUSTOMER Billing Address and Contact Street Address: 215 E. Central Ave. City: Bentonville State / Province: AR Country: USA Domestic / Intl / Zip Code: 72712 Contact Name: Robert McGowen Title: Administrator of Public Safety Telephone: 479-271-1004 Fax: E-mail: Robert.McGowen@bentoncountyar.gov	

This Pricing Schedule is part of the Agreement between AT&T and Customer referenced above.

This Agreement shall be void if not executed by Customer and received by AT&T within 30 days of the date AT&T executed the Agreement, or if Customer alters, adds or deletes any of the provisions in the version executed by AT&T.

CUSTOMER	AT&T
By: _____ (by its authorized representative)	By: _____ (by its authorized representative)
(Typed or Printed Name) Barry Moehring	(Typed or Printed Name) Veronica Danao
(Title) Benton County Judge	(Title) Contract Specialist CGI
(Date) 16 September 2019	(Date) 12 September 2019

ATTUID: _____ Public Safety Hosted Pricing Schedule	AT&T and Customer Confidential Information Page 1 of 5	ROME Opportunity ID: _____ Updated: 012815
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GENERAL TERMS APPLICABLE TO
AT&T PUBLIC SAFETY HOSTED E9-1-1 SERVICE

This Pricing Schedule is part of the Agreement between Southwestern Bell Telephone Company, d/b/a AT&T Arkansas and the Customer referenced above.

This Pricing Schedule consists of this Pricing Schedule and any Attachments hereto (e.g., Statement of Work ("SOW"); Scope of Work ("SCOW"); Inventory Schedule and Payment Terms; Bill of Material; Project Implementation Guide; Implementation Timeline; or Certificate of Acceptance) that currently, or may in the future, reference this Pricing Schedule. In the event of a conflict between this Pricing Schedule and any Attachments hereto, this Pricing Schedule shall take precedence.

SERVICE: An enhanced 9-1-1 ("E 9-1-1") Service provisioned by AT&T that utilizes AT&T Premises to house certain E 9-1-1 Call Handling Equipment for purposes of receiving and transporting E 9-1-1 calls from within a predetermined service area to authorized Public Safety Answering Points (PSAPs) identified by Customer. As part of the Service, AT&T will install Customer End User Equipment identified in the Statement of Work at Customer PSAP Sites; will train Customer's employees on the use of the Customer End User Equipment; and will test the Customer End User Equipment and verify that it is operating as designed. AT&T will also provision the necessary network elements (set forth below) required to deliver E 9-1-1 calls to the Customer PSAP Sites. AT&T will be responsible for the maintenance of the Equipment necessary to provision the Service, as more fully described in the Statement of Work.

SERVICE PROVIDER: Southwestern Bell Telephone Company, d/b/a AT&T Arkansas.

TERM: The Pricing Schedule Term shall begin on Cutover and continue to the latter of: (a) 5 years from Cutover; or (b) until such time as no Service Components are provided to Customer under this Pricing Schedule.

SERVICE COMPONENTS AND PRICING: The following prices shall apply to the various Service Components offered as part of the Service. Any Service Components that are offered under an AT&T Tariff or Guidebook are offered under the terms and conditions set forth therein unless modified in this Pricing Schedule.

Network Transport Components: The 9-1-1 tariff prices apply to trunking between AT&T Premises and the Customer PSAP Sites.

9-1-1 Database Components: Customer will provide Enhanced 9-1-1 utilizing AT&T's Tandem/Selective Router and utilizing the Automatic Number Identification system and the Automatic Location Identification system. The charges and terms and conditions for these features are listed in the AT&T Tariff or Guidebook, as may be modified from time to time.

Other Components: Customer will also order the following Service Components on terms and conditions set forth in the applicable AT&T Tariff or Guidebook.

- I. AT&T Bandwidth Services provided under an "AT&T Integrated Data Services Pricing Schedule"
- II. AT&T VPN Service provided under an "AT&T VPN Pricing Schedule"
- III. AT&T Managed Internet Service provided under an "AT&T Managed Internet Service Pricing Schedule"
- IV. AT&T Managed Router Solution provided under an "AT&T Managed Router Solution Pricing Schedule"
- V. Point-to-point DS-1 Service provided under an "ILEC Intrastate Services Pricing Schedule Pursuant to Custom Terms"

Equipment and Maintenance: The rates and charges for Equipment (consisting of Customer End User Equipment and Call Handling Equipment) and maintenance of the Equipment are as follows:

Host & PSAP Pricing:			
Host Locations:	NRC	MRC	
Benton County 911 Admin - AT&T HGACBUY Contract#: HGAC EC07-17	\$828,000.00	NA	
CENCOM 7 Positions	N/A	\$4,025.00	
Bentonville 5 Positions	N/A	\$2,875.00	
Rogers 7 Positions	N/A	\$4,025.00	
Siloam Springs 3 Positions	N/A	\$1,725.00	
Bella Vista 2 Positions	N/A	\$1,150.00	

- (1) Charges For Host Locations not due until Hosts are installed and accepted and first PSAP is on-line and accepted
- (2) PSAP Location: Charges Per Position not due until PSAP installed and accepted:

ATTUUD: _____ Public Safety Hosted Pricing Schedule	AT&T and Customer Confidential Information Page 2 of 5	ROME Opportunity ID: _____ Updated: 012815
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GENERAL TERMS APPLICABLE TO
AT&T PUBLIC SAFETY HOSTED E9-1-1 SERVICE

ADDITIONAL TERMS AND CONDITIONS

1. Definitions

"AT&T E9-1-1 Hosted Service" means the Service as described above, provided on the terms and conditions set forth herein.

"AT&T Premises" means an AT&T owned or operated facility specified in an Order where E9-1-1 Call Handling Equipment will be installed and certain elements of the Service are performed.

"Call Handling Equipment" means the equipment and Licensed Software that AT&T will acquire and install at AT&T Premise(s) for purpose of providing the Services to be provisioned under this Pricing Schedule.

"Customer Premises" means Customer's facility or location specified in an Order where the Equipment will be installed or Services performed. Customer Premises will be deemed Site(s) for purposes of the Agreement.

"Cutover" means (i) for a Service, when the Service is first provisioned or made available to Customer's use at any Site; and/or (ii) for Equipment, when it is delivered to a carrier for shipment, or if AT&T provides installation as part of the Services, then upon AT&T's installation of the Equipment and acceptance by Customer.

"Customer End User Equipment" means the equipment and Licensed Software that AT&T licenses or leases, as applicable, to Customer or for which AT&T provides Services as provided hereunder that is installed at a Site. Ownership of, and title to, Customer End User Equipment shall at all times remain with AT&T. Upon termination of this Pricing Schedule, AT&T shall have the right to re-possess the Customer End User Equipment at a mutually agreeable date and time.

"Equipment" unless otherwise defined, means Customer End User Equipment and Call Handling Equipment.

"Order" means any purchase order issued by Customer for Equipment or Services that references this Pricing Schedule, is signed by Customer's authorized representative, and is accepted by AT&T. Orders will be deemed Attachments to this Pricing Schedule once accepted by AT&T.

"PSAP" means a Public Safety Answering Point. The location of a PSAP will be deemed a Site for purposes of the Agreement.

"Statement of Work" or "SOW" means the attached statement(s) of work and/or other ordering documents that describe materials and Services to be provided pursuant to this Pricing Schedule. On occasion, SOWs may be entitled Statement of Work (SOW), Scope of Work (SCOW) or Pre-Installation Guide (PIG).

2. Scope

AT&T will procure the Equipment and provision the Service as specified in this Pricing Schedule and any attachments hereto.

3. Customer End User Equipment; Delivery and Installation by AT&T

AT&T will deliver the Customer End User Equipment FOB origin, prepaid and add. Title to the Customer End User Equipment and

all risk of loss to the Customer End User Equipment shall pass to Customer at the time of delivery to the carrier for shipment. Origin is defined as the manufacturer's site when the Customer End User Equipment is shipped directly to Customer Site and as AT&T's staging facility when AT&T performs staging on the Customer End User Equipment before delivery to Customer. Customer acknowledges and agrees that AT&T's ability to provide Customer End User Equipment during the term of this Pricing Schedule is contingent upon the supply and delivery schedules of the Customer End User Equipment manufacturer(s). AT&T shall have no liability for delays in any delivery schedule. Customer End User Equipment is described in the SOW attached hereto.

4. AT&T Call Handling Equipment

AT&T shall have no liability for delays in any delivery schedule pertaining to AT&T Call Handling Equipment. AT&T is solely responsible for the installation of AT&T Call Handling Equipment on AT&T Premises.

5. Customer Responsibilities for Installation Services at Customer Premise(s)

AT&T's obligations under this Pricing Schedule and the timely fulfillment thereof, are contingent upon timely receipt from Customer of all reasonably necessary assistance and cooperation in all matters relating to this Pricing Schedule, including reasonable access to relevant personnel, records, information and facilities. Customer shall provide AT&T, in a timely fashion, with all information reasonably required for the performance of the Services by AT&T. Customer represents that all information presently known to be necessary to AT&T's understanding of the Services to be performed have been disclosed or provided to AT&T and Customer will keep AT&T timely informed of any new information which may be necessary to AT&T's understanding of the Services to be performed. Customer shall provide AT&T with reasonable access to the premises necessary for the performance of the Services required under this Pricing Schedule as more fully described in Section 3.1 of the Master Agreement. In the event of Customer's failure to perform its responsibilities hereunder, AT&T may, at AT&T's option, assume or fulfill any and/or all of Customer's responsibilities, directly or through contract with third parties. In such instance, it shall be considered an increase in the scope of the Services. AT&T may charge Customer any and all charges incurred by AT&T due to Customer's failure to timely fulfill its obligations under this Section.

Notwithstanding any other part of this Pricing Schedule: (a) AT&T shall have the right to suspend performance or to pursue any other remedies provided for under the Agreement where Customer delays or fails to comply with this provision; and (b) where any of the measures described above are unreasonably expensive, Customer may request that AT&T suspend its performance until such time as an alternative remedy or course of performance is secured or agreed upon; provided, however, that AT&T may terminate this Pricing Schedule or an Order where any such suspension lasts longer than thirty (30) days.

6. Invoicing and Payment Terms

ATTUID: _____ Public Safety Hosted Pricing Schedule	AT&T and Customer Confidential Information Page 3 of 5	ROME Opportunity ID: _____ Updated: 012815
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GENERAL TERMS APPLICABLE TO
AT&T PUBLIC SAFETY HOSTED E9-1-1 SERVICE

Invoices for all Customer End User Equipment and AT&T Call Handling Equipment will be issued upon Customer's Acceptance of the Services and Customer End User Equipment, as defined in Section 7 hereof, on a PSAP-by-PSAP basis. Invoices for maintenance Services will be issued pursuant to the terms of the Master Agreement.

7. Initial Acceptance of Services and Customer End User Equipment

On a PSAP-by-PSAP basis, Customer shall have a designated staff member on-site at the initial completion of Services and installation of the Customer End User Equipment to sign the acceptance document, acknowledging the Services were performed in accordance with the SOW and are complete as to each PSAP. If any installation Services are incomplete or nonconforming at the time of initial installation, Customer must provide written notice to AT&T identifying such installation Services within ten (10) business days of notice by AT&T of completion of said Services at a PSAP, or else Customer waives remedy. Upon written notification, AT&T will then have thirty (30) business days to re-perform or complete the nonconforming installation Services. If AT&T is unable to, or fails to, correct such nonconformance in all material respects, AT&T may, as AT&T's sole liability and Customer's sole remedy, refund to Customer all amounts paid by Customer for the nonconforming portion of the installation Services.

8. Licensed Software

Software is provided subject to the particular licensor's standard software license that accompanies Customer End User Equipment. The standard software license is a separate agreement between Customer and the licensor. Customer's assent to the terms and conditions of this Pricing Schedule binds Customer to the terms and conditions of the licensor's standard software license, as if the terms and conditions of the licensor's standard software agreement were fully set forth in this Pricing Schedule, and Customer shall comply with the terms and conditions of the licensor's standard license and associated documentation.

9. Limited Warranty, Limitation of Liability and Limitation of Remedy.

In addition to any similar protections set forth under the Master Agreement, the following provisions apply to Services and Equipment offered under this Pricing Schedule:

9.1 WARRANTIES.

(a) Equipment. The Equipment will be provided to Customer on an "As Is" basis. (i) AT&T DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED (INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, TITLE<

NON-INFRINGEMENT, OR ARISING BY VIRTUE OF USAGE OF TRADE). (ii) AT&T WILL NOT HAVE ANY OBLIGATION OR BE LIABLE FOR ANY ERROR, OMISSION, DEFECT, DEFICIENCY, OR NONCOMFORMITY IN ANY EQUIPMENT OR ANY OF THE SERVICES. AT&T DOES NOT WARRANT THAT THE OPERATION OF EQUIPMENT WILL BE UNINTERRUPTED OR ERROR FREE. AT&T HAS NO WARRANTY OBLIGATION FOR EQUIPMENT THAT CUSTOMER ACQUIRES THROUGH AT&T AND EQUIPMENT THAT IS NOT MANUFACTURED BY AT&T AND THAT DOES NOT BEAR AN AT&T LOGO OR COPYRIGHT NOTICE. Customer, not AT&T, is responsible for selecting Equipment to achieve its intended results and for promptly verifying that the Equipment performs as specified by the manufacturer or licensor.

(b) Manufacturer's Warranty: Notwithstanding the disclaimer set forth in the subsection (a) of this section, AT&T shall pass through to Customer any hardware warranties available from Equipment manufacturers and subsection (a) does not negate any software warranty that Customer may obtain directly from the licensor under the particular licensor's standard software license.

9.2 WORKMANSHIP WARRANTY(a) The provision of Services and any deliverables under this Pricing Schedule shall be performed in a workmanlike manner that would meet commercial industry standards in the field to which the work pertains, as well as any standards set forth in any Attachments, including, but not limited to, any SOWs. No other warranties are provided by AT&T under this Pricing Schedule.

(b) Further Disclaimer As To Information Provided by Customer. The Services, as described herein and any Attachments, are based upon, among other things, information provided by CUSTOMER. IN THIS REGARD, AT&T MAKES NO EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION PROVIDED TO AT&T BY CUSTOMER. CUSTOMER ACKNOWLEDGES AND AGREES THAT: (I) NONE OF THE INFORMATION FURNISHED BY CUSTOMER IN CONNECTION WITH AT&T SERVICES AND/OR DELIVERABLES HAS BEEN INDEPENDENTLY VERIFIED BY AT&T AND (II) AT&T EXPRESSLY DISCLAIMS, AND WILL NOT BE SUBJECT TO, ANY LIABILITY WHICH MAY BE BASED ON SUCH INFORMATION, OR ANY ERRORS OR OMISSIONS IN SUCH INFORMATION, WHETHER OR NOT AT&T KNEW OR SHOULD HAVE KNOWN OF ANY SUCH ERRORS OR OMISSIONS, OR WAS RESPONSIBLE FOR OR PARTICIPATED IN THEIR INCLUSION IN OR OMISSION FROM THE SERVICES AND/OR DELIVERABLES. If AT&T does become aware of any errors or omissions in information are made or provided by Customer, AT&T will promptly notify Customer, in writing, of such errors and omissions.

10. Storage of Equipment

AT&T and/or its designated subcontractors may store a reasonable amount of Equipment, materials, tools and other items necessary for the performance of the Services on a Site or in such other secure location(s) as Customer may designate, at no charge.

ATTUJD: _____ Public Safety Hosted Pricing Schedule	AT&T and Customer Confidential Information Page 4 of 5	ROME Opportunity ID: _____ Updated: 012815
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GENERAL TERMS APPLICABLE TO
AT&T PUBLIC SAFETY HOSTED ES-1-1 SERVICE

Customer will take reasonable precautions to protect and maintain the integrity of any such items and will accept delivery of any such items delivered to Customer's Site when AT&T personnel are not available to accept delivery and place or direct the placement of such items on the Site or other secure location(s). In the event Customer accepts delivery of any items under this Pricing Schedule, Customer will promptly notify AT&T of the delivery and location of the items delivered.

11. Amendments; Termination

Customer will be charged for any additions, deletions or changes ("Change") in the Equipment and/or Services. If Customer desires a Change, Customer will notify AT&T by written request, and AT&T will provide Customer a revised Bill of Materials and/or Statement of Work reflecting the Equipment, Service and price changes shipping dates, Cutover dates and other terms. Any increase or decrease in the price occasioned by a Change will be added to/subtracted from the amount of Customer's invoice. After the Effective Date of this Pricing Schedule, any changes to an Order or SOW requested by Customer will be processed as a "Change Order". If AT&T does not receive the executed change documents within 30 (thirty) days, no changes will be made to the original document. This Pricing Schedule may be amended or modified only by written instrument signed by an authorized representative of each party.

If Customer changes the work schedule in a SOW or if compliance with such schedule becomes impractical, due to no fault of AT&T, AT&T reserves the right to reevaluate and amend the pricing for Equipment and Services or to submit change notice for any additional costs incurred as a consequence of such changes.

Either party may terminate this Agreement in whole or in part by giving the other party at least thirty (30) days' prior written notice. Either Party may terminate an Order or Change Order by giving the other Party written notice prior to Cutover. In the event Customer terminates an Order or Change Order: (i) prior to the date of delivery of any Equipment, Customer shall pay as a cancellation fee, and not as a penalty, an amount equal to twenty percent (20%) of the total purchase price of the Equipment cancelled (and once Equipment is delivered to Customer, the relevant Order(s) may not be cancelled); and (ii) Customer shall be liable for an amount equal to fifty percent (50%) of the fees for Services for the remaining term of this Pricing Schedule (or any applicable Order) plus any non-recoverable costs including, but not limited to, amounts incurred by AT&T in connection with the provisioning of cancelled Equipment and Services. Upon termination, Customer agrees to pay all amounts due for Equipment and Services provided by AT&T up to and including the effective date of termination, plus any costs or expenses (including restocking fees) incurred by AT&T in connection with the performance of the Order. In the event the Customer terminates an Order or Change Order prior to Cutover, the Customer shall be liable for all expenses incurred by AT&T under that Order or Change. Upon termination, Customer agrees to pay AT&T all amounts due for Equipment and Services provided by AT&T up to and including the effective date of termination, plus any nonrecoverable restocking fees or other costs incurred by AT&T.

Such payment will constitute a full and complete discharge of Customer's payment obligations. Termination will also constitute a full and complete discharge of AT&T's obligations. Any Order in progress or requested prior to the termination of this Pricing Schedule will be completed and Customer agree to pay AT&T for the Services performed and/or any Equipment delivered or installed under the Order.

Customer will only be liable for the charges incurred in connection with termination as described in this Section 11. Customer shall not be responsible for any other termination charges specified in the Master Agreement.

12. Termination of Purchase Order; Suspension of Service

Except as otherwise expressly provided in this Pricing Schedule, Order(s) may not be terminated, suspended or canceled unless: a) the other party is in material breach of or default under such Order, and such breach or default continues for a period of thirty (30) days after the giving of written notice by the party not in breach or default; or b) any federal, state or local governmental agency or regulatory body or a court or tribunal of competent jurisdiction renders or enters an order, ruling, regulation, directive, decree or judgment which restricts or prohibits either party from continuing, impairs either party's ability to continue, or makes impractical or unduly expensive either party's continuance under such Order or this Agreement.

13. General Provisions

AT&T is entitled to increased compensation and/or time for completion where AT&T encounters concealed physical conditions which differ materially from those indicated in any documents provided under this Agreement or otherwise represented by Customer, or latent physical conditions which differ materially from those ordinarily found to exist and generally recognized as inherent in the installation and/or maintenance activities contemplated by this Pricing Schedule, where such conditions would materially interfere with, delay or increase cost of performance under this Pricing Schedule.

All Intellectual property in all Services and Equipment shall be the sole and exclusive property of AT&T or its suppliers.

Attachments:

1. Statements of Work e.g. SOW, SCOW, PIG ☐

ATTU/D: _____ Public Safety Hosted Pricing Schedule	AT&T and Customer Confidential Information Page 5 of 5	ROME Opportunity ID: _____ Updated: 012815
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ORDINANCE NO. _____

**AN ORDINANCE AUTHORIZING THE MAYOR AND THE
CITY CLERK TO ISSUE PAYMENT TO AT&T FOR
EMERGENCY TELECOMMUNICATION CALL
HANDLING EQUIPMENT AND WAIVING THE
REQUIREMENT OF COMPETITIVE BIDDING.**

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

Section 1: That the Mayor and City Clerk be and are hereby authorized to issue payment to AT&T for the City of Bentonville's portion of call handling equipment in order to receive and transport E-9-1-1 telecommunication calls as set forth in the agreements and memorandum attached hereto.

Section 2: Because of the need to minimize interruptions to critical operations and because Benton County holds the contract with AT&T for this equipment, it would be neither practical nor feasible to advertise for competitive bidding, and that requirement is herein waived.

PASSED and APPROVED this _____ day of _____, 2020.

APPROVED:

MAYOR

ATTEST:

CITY CLERK



CHECK ALL THAT APPLY		
X	Bid Award	Bid #
	Budget Adjustment	
	Change Order	
	Informational	
	Ordinance	
	Resolution	
	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Brent Boydston

Department

Fire

Phone

271-5927

ACTION REQUIRED:

Bid Award to Emergency Vehicle Specialist (EVS) through participation in the HGAC Cooperative (Co-op) contract, EE08-19 to purchase a Self Contained Breathing Apparatus (SCBA) air compressor for Station 7 in the amount of \$42,558.29 tax included. Use of a Co-op is allowed pursuant to Arkansas State Statute 19-11-249; Purchasing performed an evaluation of EE08-19, determining that the solicitation was in line with both Arkansas State Statute and City Purchasing procedures. This is a budgeted item in the 2020 budget.

COST TO CITY:

Cost of this Request: \$42,558

Additional Budget Amount

☐ One time amount

☐ Continuing O and M

Previously Budgeted	\$	51,000
Funds Expended to Date		-
Remaining Budget		51,000
Budget Adjustment		-
Remaining After Adjustment	\$	51,000

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE





Inter-office Memorandum

To: Mayor Orman and City Council
From: Brent Boydston, Fire Chief
CC: Camille Thompson, Staff Attorney, Gladys Shoemake, Purchasing Manager,
Jake Harper, Finance Director
Date: August 25, 2020
Re: SCBA Compressor for Station 7

Included in the construction of Station 7, an SCBA compressor and filling station was budgeted in 2019. These funds were rolled into the 2020 budget.

We are requesting the purchase of an Artic Air Compressor system to be installed in Station 7 to fill our compressed air bottles and portable cascade systems. This system includes the compressor, filling station, cascade system and remote hose reel with 30' of hose.



SALES QUOTE

800-233-5053
www.gwevs.com

CONWAY, AR

OLIVE BRANCH, MS

MEMPHIS, TN

NASHVILLE, TN

Quote Number 00000138

Date 7/17/2020

Expiration Date 8/17/2020

Contact Name Kevin Boydston

Phone (479) 271-3151

Company Name Bentonville Fire Department

Account Number 423

Bill To United States

Ship To 800 Sw A St

Bentonville, Arkansas 72712-5834

United States

Telephone

Salesperson Scott Jones

Salesperson Email sjones@gwevs.com

Ship Complete Yes

Freight Included No Charge

Quantity	Vendor	Part Number	Description	Unit Price	Total Price
1.00	Arctic Compressors	C-E4-10-A6-E1C	E4-10A6E1 With CO Monitor 4 STAGE, 6000 PS, 10 HP, 14 CFM, 3 PHASE ELECTRIC MOTOR, SOUND SUPPRESSING CABINET, INCLUDES FILTER SYSTEM TO PROCESS 24,000 CU FT., MAGNETIC STARTER, AUTO DRAIN SYSTEM, GAUGE PANEL, HIGH PRESSURE SWITCH AND ELECTRONIC CO MO	\$30,900.19	\$30,900.19
1.00	Arctic Compressors	C-FS2C55	DBL FILL W/CONTROLS 5500 PSI	\$0.00	\$0.00
1.00	Arctic Compressors	MISC	Hose, Regulator Assembly and Regulator Bracket & Ring for Hose Reel Hookup	\$0.00	\$0.00
1.00	Hannay Reels	FH15141718RTH6M	Hannay Manual Rewind Reel, Graphite, With 30' 1/4" Hose	\$615.83	\$615.83
1.00	EVS Products Inc.	PFC-4R-6000	SCBA Four Cylinder Cascade System With Rack, Hoses and Plumbing	\$7,350.00	\$7,350.00

Quoted By Scott Jones

Quoted By Email sjones@gwevs.com

Subtotal \$38,866.02

Tax \$3,692.27

Total \$42,558.29

Notes HGAC Contract EE08-19, Artic (Northshore) Breathing Air Systems, HGAC Code EE19KEA

Customer Provides 60 AMP Disconnect

A Division of G & W Diesel Services, Inc.

CONTRACT ASSIGNMENT AND ASSUMPTION AGREEMENT

This Contract Assignment and Assumption Agreement is made by and between the **Houston-Galveston Area Council of Governments (H-GAC)**, **Metro Fire Apparatus Specialists, Inc. (Contractor)** and **G & W Diesel Services Inc (Assignee)**.

WHEREAS, **Contractor** entered into a cooperative purchasing Contract, identified as **EE08-19**, with **H-GAC** for the sale of **Emergency Medical and Rescue Equipment** to various End User governmental agencies participating in **H-GAC's** Cooperative Purchasing Program; and

WHEREAS, **Contractor** assigns the performance of its obligations under the Contract to **Assignee** for Artic Products (H-GAC Product Code EE19KEA), Partner Products (H-GAC Product Code EE19IFA), Paratech Products (H-GAC Product Codes EE19FCA, EE19GDA), and Super Vac Products (H-GAC Product Code EE19IDA) in specific areas (per attached Information Sheet); and

WHEREAS, **Assignee** shall perform as stipulated in the original Contract (a copy of which is attached hereto) and comply with all the terms and conditions set forth therein; and

WHEREAS, **Contractor** will continue as originally contracted with **H-GAC**; and

NOW THEREFORE, **Assignee** agrees to accept this assignment, and **H-GAC** concurs.

Unless otherwise noted, this Agreement goes into effect on the date signed by **H-GAC**. All other terms and conditions of the Contract shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Contract Assignment and Assumption Agreement to be executed by their respective duly authorized representatives.

Signed for **Houston-Galveston Area Council**:


Chuck Wemple, Executive Director

11/22/2019

Signed for **Metro Fire Apparatus Specialists, Inc.**
Houston, TX:


(Signature of Contractor)

Date: 11-5-19

Andy King OPERATIONS MANAGER
Printed Name & Title

Signed for **G & W Diesel Services Inc**
Memphis, Tennessee:


(Signature of Assignee)

11-5-19

Jimmie Smith VP Sales & Marketing
Printed Name & Title



CHECK ALL THAT APPLY		
☐	Bid Award	Bid #
☐	Budget Adjustment	
☐	Change Order	
☐	Informational	
☐	Ordinance	
☒	Resolution	
☐	Other	

AGENDA FORM

CITY COUNCIL MEETING OF:

August 25, 2020

Submitted by:

Hadi Dudley

Department

Library Director

Phone

271-3194

ACTION REQUIRED:

A resolution for City Council approval to enter into an agreement with the Bentonville Library Foundation to purchase the Bentonville Public Library property.

COST TO CITY:

Cost of this Request: \$1

Additional Budget Amount

☒ One time amount

☐ Continuing O and M

Previously Budgeted	\$	-
Funds Expended to Date		-
Remaining Budget		-
Budget Adjustment		-
Remaining After Adjustment	\$	-

This form must be turned into the Mayor's office 7 days prior to the scheduled City Council meeting.

117 WEST CENTRAL AVENUE * BENTONVILLE, AR 72712

www.bentonvillear.com



PLEASE RECYCLE





Memorandum

TO: Bentonville City Council, Mayor Stephanie Orman
FROM: Hadi Dudley, Library Director
CC: Camille Thompson, Staff Attorney; Jake Harper, Finance Director
SUBJECT: A Resolution to Purchase the Library property from the Bentonville Library Foundation
DATE: August 13, 2020

Bentonville Public Library (BPL) seeks City Council approval to execute an offer and acceptance agreement for the City of Bentonville to purchase the existing library property from the Bentonville Library Foundation for \$1.00.

In 2003, the Bentonville Library Foundation (BLF) was formed by community members to generate funds for the construction of Bentonville Public Library. The property located today at 405 South Main Street was deeded to the 501(c)(3) nonprofit in an effort to aid with grant opportunities and charitable contributions.

This public/private partnership came to fruition in 2006 with the City's pledge for \$2 million joining BLF's capital campaign which raised \$7 million from individuals, organizations and businesses.

In October 2006, the City leased the Library from the Foundation for 300 months. In lieu of rent, the City accepted responsibility for all utilities, costs, maintenance and improvements to the property. BPL's annual budget of \$1.8 million in FY2020 exemplifies the City's commitment and stewardship of the Library with ongoing operational, maintenance, capital and personnel costs.

The public/private partnership will continue. This transaction will streamline property ownership responsibilities. As a City-owned property, it will simplify options for the Library's future expansion opportunities, with anticipated fundraising support from the Bentonville Library Foundation.

The attached exhibit includes the full offer and acceptance terms with attachments that outline an agreement to continue collaboration between the City of Bentonville and the Bentonville Library Foundation to support the Bentonville Public Library.

BPL is extremely grateful to the Bentonville Library Foundation, and its donors, for their past, ongoing and future contributions to our community's public library.

If you have any questions, please contact me at 479-271-3194 or hdudley@bentonvillear.com.

Hadi S. Dudley, Library Director
Bentonville Public Library

OFFER AND ACCEPTANCE

PARTIES: The City of Bentonville, Arkansas, as "Buyer", and Bentonville Library Foundation, Inc., as "Seller", hereby agree that the Seller shall sell and convey and Buyer shall buy the following property upon the following terms and conditions:

1. DESCRIPTION:

Legal description of real estate ("Property") located in Benton County, Arkansas:

See legal attached on attached Exhibit "A"

Street address, if any, of the Property being conveyed is:

405 South Main Street, Bentonville, AR 72712

2. PURCHASE PRICE: The total consideration is as follows: \$1.00 and other valuable consideration as described hereafter in this paragraph 2, in full payment for the Property and all appurtenances and improvements thereon.

- a) Fundraising Campaign. The parties agree to jointly participate in a fundraising campaign as outlined on attached Exhibit "B."
- b) Bond Issue. Buyer agrees to include the property on a bond issue to be submitted to the voters and (if approved) to spend any bond funds authorized and issued for Library purposes on the expansion and capital improvements to the Library facility located on the Property. Buyer agrees that all costs of expansion and capital improvements to the Library facility located on the Property, including but not limited to renderings, architectural and engineering fees, and contractor fees, are the exclusive responsibility of Buyer. In the event the bond issue fails, ownership of the property shall revert to Seller upon request, provided such request is made in writing within two (2) years of the event triggering the reversion, and Buyer agrees to execute a Limited Warranty Deed to Seller with regard to the property.
- c) Restriction on Use. Buyer agrees that the property, or if sold, the proceeds therefrom, shall be used for purposes associated with the operation of a City library, as those purposes may develop with technology and the changing world for at least fifty (50) years from the date of the transfer of the property. Should the Property be sold by Buyer, it must be sold for full appraised value as determined by a third-party certified appraiser agreed upon by Seller and Buyer.
- d) Office Space. Buyer agrees to provide office space to Seller within the City Library facility at no charge for the space or utilities associated with the space. The office space will be comparable to that which has been provided throughout the lease period for the

existing library prior to this agreement and will continue to be provided so long as the space is being used for the Seller's charitable purposes.

4. SURVEY & TITLE COMMITMENT; PERMITTED EXCEPTIONS:

No survey or title insurance shall be required.

5. BUYER'S REQUIREMENTS: None other than the consideration stated in paragraph 2 above.

6. SELLER DOCUMENTS: Seller agrees to deliver to Buyer within ten (10) days of the execution of this document, all environmental reports relating to the Property, if any.

7. SELLER'S REPRESENTATION AND WARRANTIES: Seller represents and warrants that there is no action, suit, or proceeding pending, or to Seller's actual knowledge and belief, threatened or contemplated against or affecting, either directly or indirectly, the Property.

8. RISK OF LOSS: All risk of loss to the Property shall remain as it currently is prior to Closing. If any improvements on the Property are damaged prior to Closing and the property either cannot or is not restored to the condition it was as of the date of the execution of this agreement, at Buyer's sole option, Buyer may (i) elect to terminate this Contract or (ii) elect to take the Property as it then is, together with any insurance proceeds payable by virtue of such loss or damage. If Buyer elects to terminate this Contract, Buyer and Seller shall be released, as to one another, of all obligations and liabilities under this Contract.

9. REPAIR AND MAINTENANCE: Between the date of execution of this agreement and the date of Closing, the arrangements already existing between the parties as to repairs and maintenance to the property shall remain in effect.

10. PROVISIONS WITH RESPECT TO CLOSING:

- a) Closing Date. The consummation of the transaction contemplated by this Agreement ("Closing") shall take place at such place as designated by Seller on or before September 30, 2020, or at such earlier date as agreed mutually, unless extended by other provisions hereof.
- b) Seller's Obligation at Closing. At Closing, Seller shall deliver to Buyer a Warranty Deed in the form attached as Exhibit "C" with specific language incorporating this Contract into the Deed and conveying the Property to Buyer subject to:
 - (i) taxes and assessments for year of closing and subsequent years;
 - (ii) restrictions, easements and zoning ordinances of record, if any;
 - (iii) public utility easements of record, if any.

Seller shall also deliver at closing a document suitable for recording showing its Board has approved the conveyance and naming the person or persons authorized to execute the deed.

- c) Buyer's Obligations at Closing. Buyer shall become obligated at the time of the receipt of the deed described above to meet the terms of consideration agreed to in paragraph 2 above.
- d) Closing Costs. Buyer shall pay all costs and expenses in connection with the Closing, including the following:
- (i) Documentary stamps which are required to be affixed to the Warranty Deed, if any;
 - (ii) All recording costs connected with the transaction;
 - (iii) The premium payable for the title commitment and title policy issued pursuant thereto, if any (obtaining title insurance is at the sole option of the Buyer);
 - (iv) Proration of Taxes. Taxes, if any, for the year of the Closing shall be prorated to the date of Closing. If the Closing shall occur before the tax rate is fixed for the then current year, the apportionment of taxes shall be upon the basis of the tax rate of the preceding year applied to the latest assessed valuation.

11. OTHER CONTRACTUAL PROVISION:

- a) Notices. Any notice to be given or to be served upon any party hereto, in connection with this Agreement, must be in writing, and may be given by certified mail and shall be deemed to have been given and received when a certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States Mail; and if given otherwise than by certified mail, it shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notices shall be given to the parties hereto at the addresses stated above.
Any party hereto may, at any time by giving five (5) days' written notice to the other party hereto, designate any other address in substitution of the foregoing address to which such notice shall be given and other parties to whom copies of all notices hereunder shall be sent.
- b) Assignability. The Buyer is prohibited from assigning all or any part of this Agreement.
- c) Entire Agreement: Modification. This Agreement embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.
- d) Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Arkansas.

- e) Limitation of Liability. Seller assumes no responsibility or liability with regard to the planning, construction or operation of the library facilities of the City of Bentonville, including but not limited to any costs or fees associated with any bond campaign or issue, any professional fees related to same or the subsequent design or construction of such facilities, or claims or lawsuits related thereto, except as expressly set forth herein. The foregoing shall apply even if Seller or persons associated therewith participate or do not participate in planning for such facilities. Nothing about this agreement or the related documents is meant to be construed, nor should it be construed or interpreted as a representation, requirement or guarantee that the Seller and persons associated with Seller will raise a specific amount, or in fact any, funds with respect to current or future plans to construct new library facilities, provide materials for current or future library facilities, or otherwise.
- f) Headings. Descriptive headings are for convenience and shall not control or affect the meaning or construction of any provision of this Agreement.
- g) Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their successors and assigns.
- h) Counterparts. This Agreement may be executed in several counterparts, each constituting a duplicate original, but all such counterparts constituting one and the same Agreement.
- i) Interpretation. Whenever the context hereof shall require, the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa.
- j) Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- k) Non-profit Status. Should the 501c3 charitable organization cease to operate, the property becomes the Buyer's in fee simple and none of the notice provisions in this Agreement apply.
- l) City Council and Library Foundation Board Approval. This contract is conditioned upon its approval by the Board of the Bentonville Library Foundation and the Bentonville City Council. After approval, each party shall present to the other a duly adopted, approved, and attested resolution or other appropriate evidence of such approval.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement:

BENTONVILLE LIBRARY FOUNDATION, INC., Seller

By: _____ DATE _____

(Print name and title)

CITY OF BENTONVILLE, ARKANSAS, Buyer

By: _____ DATE _____
STEPHANIE ORMAN, Mayor

EXHIBIT "A"

LOT 1, LIBRARY ADDITION TO THE CITY OF BENTONVILLE, ARKANSAS, AS SHOWN ON
PLAT RECORD BOOK 2005 PAGE 759 AND RECORDED AT THE BENTON COUNTY CLERK'S
OFFICE, BENTON COUNTY ARKANSAS.

EXHIBIT "B" – PLANS AND AGREEMENTS FOR FUNDRAISING CAMPAIGN

- A. The Bentonville Library Foundation is recognized and approved as the primary fundraising entity for the Public Library operated by the City of Bentonville.
- B. The City and Foundation shall cooperate to send fundraising campaign materials to patrons of the City library, using procedures that protect patron privacy, as well as donors of the Foundation. The Foundation will not incur cost-recovery charges from the Library that may be associated with staff time to develop patron lists.

Final wording of the campaign materials is to be determined by agreement of the parties respectively, but it is understood that the campaign will solicit funds to be donated to the Foundation and not to the City.

Nevertheless, if donors desire or otherwise do make their donations to the City, the City shall be entitled to accept said donations through appropriate City mechanisms and allocate them in accordance with the donor's wishes and applicable law. If there is a question as to a donor's intent to make a gift to the Foundation or the City, and if the donor can be located, an appropriate representative of the City and the Foundation may contact the donor to clarify the donor's intent.

- C. To the extent donors are offered recognition or seek recognition as part of their donation, in the form of temporary or enduring placement of a name, logo, or similar identifying mark on City property or otherwise in City facilities, such plans for recognition shall be considered initially by the Foundation, and if approved there, shall be passed to the Library Advisory Board for final consideration and approval.

Authority as the City's approving body for this particular policy must be granted to the Library Advisory Board by the Bentonville City Council.

EXHIBIT "C"

WARRANTY DEED
(CORPORATION)

KNOW ALL MEN BY THESE PRESENTS:

That Bentonville Library Foundation, a not-for-profit corporation organized under and by virtue of the laws of the State of Arkansas duly authorized by proper resolution of its Board of Directors, for the consideration of the sum of One Dollar (\$1.00) in hand paid by CITY OF BENTONVILLE, the receipt of which is hereby acknowledged does grant bargain, sell and convey unto the said CITY OF BENTONVILLE and unto its heirs assigns forever the following described land, lying in BENTON County, State of Arkansas, to wit:

LOT 1, LIBRARY ADDITION TO THE CITY OF BENTONVILLE, ARKANSAS, AS SHOWN ON PLAT RECORD BOOK 2005 PAGE 759 AND RECORDED AT THE BENTON COUNTY CLERK'S OFFICE, BENTON COUNTY, ARKANSAS.

TO HAVE AND TO HOLD The same unto the said City of Bentonville and unto its heirs and assigns forever, with all appurtenances thereunto belonging.

This deed is being executed pursuant to a contract entered into between the parties on August __, 2020.

IN TESTIMONY WHEREOF, The name of the GRANTOR is hereunto affixed by its authorized officer(s), this _____ day of _____, 20____.

Corporation Name: _____ by: _____
by: _____

ACKNOWLEDGMENT

STATE OF ARKANSAS }
COUNTY OF BENTON } ss.

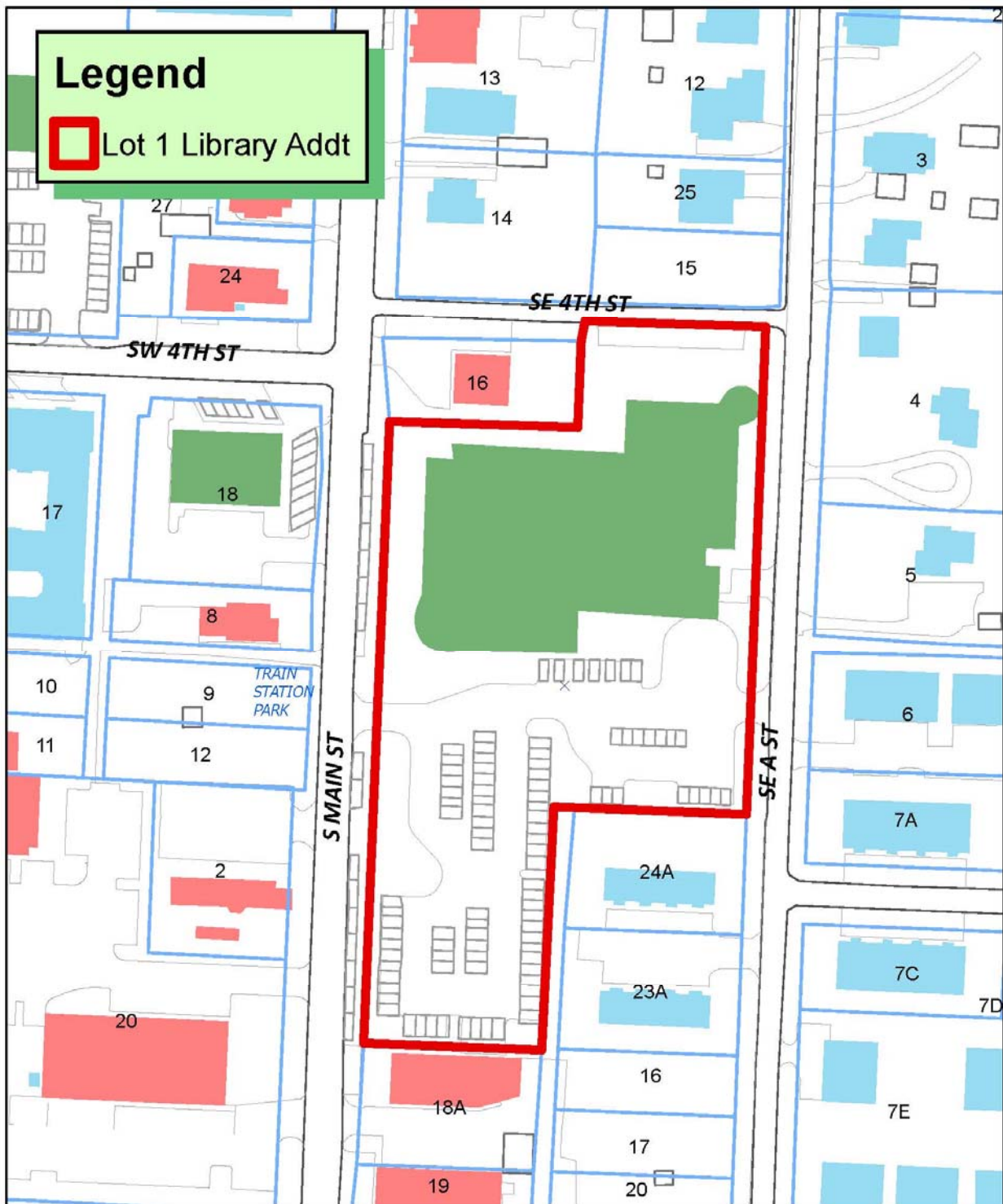
On this _____ day of _____, 20____, before me, a Notary Public, duly commissioned, qualified and acting, within and for the said County and State, appeared in person the within named _____ and _____ to me personally well known that they were the authorized officer of _____, a corporation, and were duly authorized in their respective capacities to execute the foregoing instrument for and in the name and behalf of said corporation, and further stated and acknowledged that they had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

WITNESS my hand and seal as such Notary Public this _____ day of _____, 20____.

My Commission expires:

(SEAL)

Notary Public



1 inch = 100 feet

Lot 1 Library Addition



RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR AND THE CITY
CLERK TO ENTER AN AGREEMENT WITH THE
BENTONVILLE LIBRARY FOUNDATION FOR THE
PURCHASE OF BENTONVILLE PUBLIC LIBRARY**

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

Section 1: That the Mayor and City Clerk be and are hereby authorized to enter into an agreement with the Bentonville Library Foundation for the purchase of Bentonville Public Library in an amount not to exceed \$1.00 as set forth in the attached Exhibit A.

Section 2: This resolution shall be in full force and effect from and after the date of its passage.

PASSED and APPROVED this _____ day of _____, 2020.

APPROVED:

MAYOR

ATTEST:

CITY CLERK