



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, May 28, 2019

4:00 PM

Municipal Center

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

Present 6 - Charles Coleman; Ann Williams; John Street; David McClain; LJ Bryant and Joe Hafner

3. Approval of minutes

[MIN-19:049](#)

MINUTES FOR THE FINANCE & ADMINISTRATION COMMITTEE MEETING ON MAY 14, 2019

Attachments: [Finance Minutes 05142019.pdf](#)

A motion was made by Councilperson John Street, seconded by Councilperson David McClain, that this matter be Passed . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman; Ann Williams; John Street; David McClain and LJ Bryant

4. New Business

ORDINANCES TO BE INTRODUCED

[ORD-19:029](#)

AN ORDINANCE TO CREATE THE JONESBORO OVERSIGHT INTEGRITY COUNCIL TO IDENTIFY, RESEARCH, INVESTIGATE, REVIEW, AND PRIORITIZE POTENTIAL FUTURE CAPTIAL IMPROVEMENTS OF A PUBLIC NATURE WITHIN THE CITY OF JONESBORO, ARKANSAS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

Sponsors: Joe Hafner and Gene Vance

Attachments: [Bobby Long Speech Notes 05282019.pdf](#)

City Attorney Carol Duncan said, may I ask one question before you all get started. I just noticed that in the last Whereas, it refers to the creating of the Jonesboro Forward Committee and then in the first Section one, it says creates the Jonesboro Oversight Integrity Council. Should those say the same thing? Is that a typo? Scott McDaniel, Team Jonesboro, said, yes, that is a typo. Ms. Duncan asked, so, it needs to be called the Jonesboro Oversight Integrity Council? Mr. McDaniel said, yes ma'am. Ms. Duncan said, you might want a motion to amend that language to make it match.

Councilmember John Street motioned, seconded by Councilmember Charles Coleman, to amend the last whereas clause to remove Jonesboro Forward Committee and add the language Jonesboro Oversight Integrity Council. All voted aye.

Councilmember David McClain said, I have a couple of questions Mr. McDaniel mainly for you. Chairman Joe Hafner said, I meant to say this earlier. The Mayor wanted to be here today, but I think his wife had something and he is with her so he is out of pocket right now. Ms. Duncan said, she had surgery. Councilmember McClain said, I was sitting here trying to go through everything and read through and trying to make sense of a couple of things so I have a couple of questions. One thing that you said last time when you presented to the council was that you are going to have competing projects. Mr. McDaniel said, right. Councilmember McClain said, I was trying to figure out how that will work. Who will be the groups competing? Mr. McDaniel said, it could theoretically be anyone that wants a project, right. So, it is up to the oversight council to weigh the project against whatever criteria it sets to judge the projects, right. And, then make a recommendation to the council. Ultimately, though, this oversight council does not have the power statutorily to decide projects themselves. That is up to the City Council. It is up to the Mayor. There is a normal budgeting process. This is a recommendation body. This is a planning body. This is designed to essentially do the legwork if you want to get down to a metaphor, it is the equivalent of MAPC (Metropolitan Area Planning Commission. It is equivalent of the A&P (Advertising & Promotions Commission). That sort of thing.

Councilmember McClain said, looking at the projects, the council is in place or the committee is in place, how do we make sure the projects come to fruition? How do we make sure that they are finished? I know that is on us again, but at the same time, is that going to be part of the committee's responsibility? Mr. McDaniel said, I think legally, we can only do so much. So, I believe from the standpoint of actually making sure like hiring contractors, hiring architects, you can't. Councilmember McClain said, I know that is on us. Mr. McDaniel said, in terms of attending progress meetings and holding them accountable for liquidated damages if they are running behind schedule, that is not this committee either. Let's just take the Forum for example, which is one of my passions, or tennis, which is another one of my passions. Those folks want a project, the committee approves the project or recommends the project, takes it to City Council. It goes through the budgeting process. At that point in time, it is 100% you all. It is nobody else. Now, this committee of itself will have political power because on some level, not some level, ultimately this is essentially a people's council and its job is essentially to make sure that these projects get built. Its power only lies in the political will of the people.

Councilmember McClain said, I know the scope is going to be limited, but at the same time, I am just trying to make sure and this is just a project I can think of off the top of my head, our Greenway Trail that we have now making sure that we don't have something along those lines where it is not complete, but it has been years in the making. Mr. McDaniel said, this council, I believe would be the mechanism to make sure that doesn't happen. But, again, that mechanism is purely political, purely vocal, purely press frivolitated. It is the ones that come out and ask you all that question. Why isn't it done? Councilmember McClain said, when looking at representatives across the city to be on this committee, what are some of the qualifications? Have you thought about that? What are some of the things that you guys will be looking for? Mr. McDaniel said, personally, I want diversity amongst race, religion, creed, color, everything. I want a diverse committee. I want it to be multiple wards. I want people who don't have self interest. I want people who are willing and able to work because

this committee will absolutely be a working committee. So, I want people who are willing and able to dedicate the time to it. I can tell you that Team Jonesboro will lobby hard to make sure that happens. One crucial thing that I ask for and I want to make sure everybody understands, we, Team Jonesboro, really, really, really, want this committee set before the third reading. We are requesting on the second reading, a waiving of the third reading, to combine the second and third reading so that way it can be seated. So, on the third reading, the citizens, Team Jonesboro, you all, all feel comfortable with the representation that exists on this council. I think that is crucial. Councilmember McClain said, ok, that is all that I got.

Ms. Duncan said, to that point, are you talking about having the committee members named by then because that is going to have to be done by a separate resolution under the Nominating & Rules committee. This ordinance creates the committee, but this does not name the members. Councilmember McClain said, Nominating & Rules will have to be the committee that actually does that. Ms. Duncan said, usually that is done by a resolution so it is quicker. But, timeframe wise, we may need to look at that. Mr. McDaniel said, ok. So, whatever needs to happen structurally, Team Jonesboro formally requests that happen. Ms. Duncan said, I just want to remind people that we need another document that actually names the members of the committee. Mr. McDaniel said, ok. Councilmember McClain said, that will have to come from Nominating & Rules. Mr. McDaniel said, whatever the process is, we formally request that process that is initiated and expedited in such a way that on the second reading that we can begin to name the committee and that way, the citizens feel comfortable with the folks who will be representing on the committee or on the council. Ms. Duncan said, on the committee.

Nick Wysocki, 107 Harvester Drive, said, I have two quick questions. Number one, can the money collected by this 1% tax or whatever it is, be spent by the City Council without the approval of this committee that we are forming. In other words, is this going into a separate pile, the \$200 million is the number that I heard or is this going into the general fund and be used wherever they want it to be used. Chairman Hafner said, the way that the ordinance is written by Team Jonesboro is that it can only be used for the items that are set out in the ordinance. It can only be used for the new fire stations, the staffing for the new fire stations, the police. Mr. Wysocki said, I understand that. Chairman Hafner said, if it goes for other purposes, we are breaking the rules, breaking the law. Ms. Duncan said, it has to be designated. It doesn't just go into just the general fund. Mr. Wysocki said, I was wondering about the prioritization because I know we have got several on the books right now, like the shooting complex and stuff where there is at least another \$6 million required to complete that project. This sounds like that is going to be the money grab for one of the very first things to complete that project. Grab \$6 million and complete the shooting complex and then go on from there to trails and everything else. So, I was just wondering how this gets allocated and who approves it? Yes, that is one of the line items, but I didn't see the prioritization by this committee as to what they wanted built first or how they wanted the money used. So, that is why I am asking. How is it going to be allocated and do they have any say over those allocations? And, then my follow-up question was, I remember, I have been here for about 25 years now, that we did have in the City of Jonesboro, at one point and time, a capital improvement tax that was initiated through a vote, I think during a general election. And, after about 5-6-7 years, the City Council decided to have a special election and roll that money into the general fund which then they could use however they pleased and everybody got raises. So, I was wondering, what prevents that from happening four years down the pipe when the City says, I've got \$50 million in here and I have got expenses outside of capital improvements, like they did the last time, from happening. So, those are my two questions. Chairman

Hafner said, I guess my answer would be, personally, I wouldn't support such a thing. But, kind of like this, that is the vote of the people. Ms. Duncan said, it would have to be supported by a vote of the citizens. Chairman Hafner said, not the vote of the council. Mr. Wysocki said, well in the mid-term election that overruled it was by 1,000 people that voted for it.

Mr. McDaniel said, so I can tell you that on behalf of Team Jonesboro, if that happened, unless there was a truly dire circumstance to where like the city was facing some degree of bankruptcy or something like that, we would absolutely mobilize. We would absolutely oppose such a thing. We believe in this tax. We believe in this initiative. We believe in the mission to the point to where we are putting everything we have into this. We are all in on this and we will remain all in on this. If we are successful, this is not the end in September when the election is held. This is an ongoing thing. This is an ongoing communication. What I can tell you is if that were to happen, Team Jonesboro would mobilize and oppose it and try to keep the tax as currently written. Regarding the question of council, I can only tell you what our mission was. Ultimately, it is out of our hands now. But our mission of the council was to create the priorities in a very transparent fashion. Ultimately, that council would decide if the shooting range is funded or whatever is funded. That would be the council's decision, not ours. Ultimately, it would be you all's decision to abide by those or not. So, that's all. Thank you.

Councilmember Bobby Long, 4121 Oakhill Lane, said, the reason that I thought it would be good to bring this up right now is because this ordinance as well as the others on the agenda talk about an over reaching idea and that is the proposal that Team Jonesboro brought last Tuesday night. That is how come I thought that this would be a good time to bring this up now. Last week, we were posed with a question, "What kind of a city do we want to be?" That's a valid question. It's a relevant question. I think it's a very important question. We listened as we heard how brain drain was plaguing our city and if we didn't do something about it, we were going to lose our best and brightest. We heard how we are a city who citizens are worried about how they would pay for healthcare if their little Johnny were to get sick or break their leg. This one did make me scratch my head because I was wondering how does raising taxes on these people would help them in their quest to get their kids well? I don't know. Maybe we can get an answer sometime soon.

Team Jonesboro did propose a solution. A means of keeping those who are trained to work in the fields of Science, Technology, Engineering, and Mathematics or STEM jobs. The solution proposed was one ordinance which called for a one percent sales tax which would be split with half going for amenities, and there is a list of amenities - waterparks, aquatic centers, libraries, sidewalks, parks, museums, and the list is only as limited as the imagination of the committee which will be evaluating the projects. The other half would be shared between Police and Fire in essence each would get a half of a half percent. And, first of all, before we go any further, I want to commend Team Jonesboro. Many at the meeting last week are my friends and my neighbors. I have the upmost respect for them, and I value and welcome a robust discussion concerning this tax increase as I am sure Team Jonesboro does. I spent I can't tell you how many minutes on the phone with Scott and we had a civil discussion which I hope that we can continue. I think we both have the city's best interest in mind. We may differ in the road that we would take and the meaning of quality of life, but we all have the best interest for the city.

To me, quality of life is the ability of our people to be safe in their homes, to be secure in their property, to be as free from over burdensome government regulations, to live in

the lowest tax environment possible thus retaining as much disposable income as possible. You see, the more disposable income means more businesses will want to set up shop here. It means having access to quality healthcare, safe shopping, gainful employment, and for our children to get a high-quality education in a safe and healthy environment. We must understand that the more we rely on government, the more government needs, the more it needs, the more we have to give. The more we give of what it ours, the less free we are.

Councilmember David McClain said, as a point of order, I am failing to see how this ties into the committee. Is this specifically about the committee? Councilmember Long said, ok, the formation of the committee is part of the ordinance. For the ordinance to go forward, this committee is a crucial part of it. Councilmember McClain said, right, so, as your comments right now, how do they pertain to the committee? Councilmember Long said, comments right now pertain to the committee because if we vote on the committee, I would think that moving forward, before we vote on the committee and form a committee, that I think that you need to hear this so that you would even decide whether or not this needs to move forward or not because it is part of an overall committee. Councilmember McClain said, I get it, but my point is again, I don't see how it pertains to the committee. Councilmember Long said, if you have suggestions on where this should be. Chairman Hafner said, let me say this, I understand Councilmember McClain's point of order, but I also know Councilmember Long, whether he does it now or he does it on the next resolution, he is going to make his comments. Councilmember McClain said, the next ordinance would be more appropriate. Chairman Hafner said, so since he has already started, I will let him go ahead and finish. Councilmember McClain said, ok. Councilmember Charles Coleman asked, are you going to let him get up twice. Chairman Hafner said, no. I already said that there wouldn't be repetitive comments. Councilmember McClain said, ok. Chairman Hafner said, I will let him go ahead and finish.

Councilmember Long said, I believe anytime government contemplates raising taxes on the electorate, it is of the utmost importance and deserving of every consideration. This tax will increase the size of the government of Jonesboro because it will increase what the city is responsible to upkeep and maintain. You see, it is not just about building amenities. It is about maintaining what is build. It reduces the buying power of not only the citizens of Jonesboro, but those in surrounding areas who come here to shop and spend money in our local businesses. I think it's interesting that we have heard time and time again how desperately we need to advocate for an internet sales tax because it's killing Jonesboro's brick and mortar businesses. It will create an atmosphere where public amenities could be in direct competition with private industry. For instance, let's take the shooting range. We have a few privately owned and operated shooting ranges in the area. They employ people who earn a wage and pay taxes. If the city builds one, it is now in direct competition with its own local businesses for range time and shooting supplies that may be sold there. If the local business can't make it, then it must let employees go and close which means the property taxes leave the schools, disposable income leaves the area, and heaven forbid if one of the employees were little Johnny's parents.

In the presentation, we were compared to Fayetteville. The only reason I am going to bring this up is to shed some light on who we are, not who Fayetteville is, but who we are. By delving further into this conversation, we can possibly get a different perspective on Jonesboro and realize that the answer to "Brain Drain" is not more "stuff." The answer to helping little Johnny's parents is not amenities. By the way, I totally get the 12-year old wanting to move to Fayetteville. My son, Parker has been fortunate to go to different cities with his music. He came back excited and dead set

on living in every city he went to. However, those going to Fayetteville might want to make sure you can protect yourself because Fayetteville's violent crime is almost 9% higher than Jonesboro's. Their property crime is also higher. So, if you're on one of the 163 miles of bike trails made possible by a private infusion of over \$74 million by Walmart, I would suggest not riding alone. You might also want to make sure your job pays significantly more because the average home is 30% higher than it is here. I would pose this question, how much of these publically owned and operated amenities were funded by private donations and how much are funded with public tax money. I think that is important. You know, I couldn't find a stat on bottled water usage but I'm sure it's high. You see, on a scale of 0-100 where 100 is the best, Fayetteville's water quality is rated 52 and Jonesboro's is a 92. Thank you City, Water & Light for all that you do. But what about "Brain Drain"? How do we keep these kids who want to work in the fields of science, technology, engineering, and mathematics? How do we keep them? This spiked my interest because it was the thrust and at the very core of their presentation. Why are we supposedly losing our best and brightest, if that is the definition of best and brightest, to Fayetteville or any other city for that matter? Let me tell you what I found out about Jonesboro. Fayetteville has higher percentage of people from 18 to 35 which is not surprising because it is the home of U of A. However, Jonesboro had a higher percentage in every single category for those older than 35. What does that tell me? It tells me that kids go to Fayetteville for school or possibly a job at Walmart, JB Hunt, or Tyson when they graduate. However, when they are ready to settle down and raise a family, people move to Jonesboro.

Three percent more of Fayetteville's population earned less than \$15,000 per year. One percent more of people in Fayetteville earn between \$150,000 and \$200,000 and 1.5% more people earn greater than \$200,000. But, more of our citizens fall within incomes between \$30,000 and \$150,000 than Fayetteville. What does that tell me? It tells me that Jonesboro is a city of opportunity. One can come here, find a good job in a variety of different occupations, earn a good living with lower taxes which means more buying power and more house for their money. It means that people in Jonesboro have a better opportunity to better themselves. It means our economy is one that screams, live here, build here, start your business here, bring your manufacturing here, raise your family here. We don't need an if we build it, they will come mentality. The truth is those who seek employment in those professions will go where the jobs are. If we want to keep them here, we go after the jobs. We go after the industries that need those jobs.

If we want some of these amenities so desperately, I ask, how many companies whose business it is to run water parks (for example) has Jonesboro actively pursued in the last 3 to 5 years? Why haven't they come here? Is it because we've not approached them with the idea of making Jonesboro their next build? Is it because it's not fiscally feasible for them to do so? Is it because we are getting the reputation of over burdensome building codes and restrictions? If they don't think they can run one for a profit or break even, what makes us think government can? If it cannot be run for a profit, then what will the opportunity cost of the drain on our finances be? Are we willing to give up what we need to have some of what we want?

I then looked at the ordinances themselves. In section 4, it states that the city, which really means you and I and all the other almost 80,000 people that live here, will pay for reasonable expenses of the committee. Team Jonesboro spent \$25,000 for the documents on this ordinance, the tax document and the special election documents. They hired the best attorney they could find which is sort of interesting because Team Jonesboro hired a Little Rock attorney. Anyway, I'm sure they felt that was a reasonable expense. Is the city going to be paying for feasibility study after feasibility

study as reasonable expenses? What else could be considered a reasonable expense? None of that was answered. It's almost like we are being asked to pass it so we can find out what's in it. How did they come up with the one percent which I find interesting? There was no data to support their claims that everything that they want to be built could actually be done with one percent. Yet, we are to catch the vision of a city filled with parks, museums, water parks, aquatic centers, and the likes. All this being considered, I have heard from numerous people that have told me they are for the fire and police but not for the amenities. I have heard the same on the other side too. I also feel that an "all or nothing" ordinance does not allow for the true expression of the desire of the people.

Yes, this is a "citizen initiative." I applaud them for doing this. At the same time, this is an ordinance and it is deserving of the same scrutiny as any other and I would say even more since it is dealing with a tax increase. Like I said earlier, many of Team Jonesboro are my friends. They are a group of good, well intentioned citizens who spent their own money to propose this ordinance. Yet, this should not shield it from change or exempt it from being scrutinized or modified for the good of the people of Jonesboro or to be required to back up the claims with real data. What we must also realize is that Jonesboro does not live in a bubble. What I mean by this, is that all over this state, Arkansans have higher taxes looming over their heads from legislation coming down from Little Rock. Internet Sales tax, tire tax, three cents on the gallon for gasoline tax, five cents on diesel and the list goes on. These taxes impact the people of Jonesboro. They reduce the net take home pay of every individual in Arkansas. This is in addition to what I have heard proposed in these chambers as well. Are we to pass this tax increase with the expectation that all other talk of impact fees, storm water drainage fees, prepared food tax and all other fees will just disappear? I'm sure they are going to be continued to be pushed forward. We have increased a multitude of city provided amenities already. By the way, it has been said that Jonesboro doesn't have a sanitation fee for trash pick-up. That's correct, but a half cent sales tax was passed in 2014 in order to make that happen. It's not like we absorbed the cost of trash pickup out of existing revenue. There was a tax increase to pay for it.

I feel the responsibility of this committee is to put before the council a well researched, well documented ordinance that has a fiscally responsible plan in place, one with real numbers to back up the tax increase and exactly what it's going to be spent on. We have a good idea what the money will be spent on with the Fire and Police. But what is being proposed with the tax for amenities is, "All we are asking for is one hundred million dollars." When we asked - What are we going to get for one hundred million dollars? The answer is, "I don't know but trust me, it will be good." Why would we not ask to see what we are getting for the money before we ask for the money? The people will come closer to supporting a tax if they know what the tax is going to be spent on. They want more than just categories. They want to know what they are going to get for their money so they can determine if it's worth it or not.

Then, there is the special election. There is not an emergency. Special elections are expensive, about \$20,000 per election. I feel the people deserve to know what they are going to get for their one hundred million dollars. I would ask for more data to be collected allowing for this committee to put solid ordinance to the council. It is reckless to pay for an election from the taxpayer's dime, for the purpose of taking their dime. That would be my first option, slow down, get more data, know the cost of what is needed and what is wanted, and go from there. However, if this committee is set on pushing this forward, then I think we need to consider a better way.

I would want a true representation of what the people want and I hope you do to. Each

of you represents an electorate and the city as a whole. We have a responsibility to do whatever we can to make sure that everyone has an opportunity to vote yes or no for all or part of this ordinance. I have a solution that does not harm the stated intent. It will not in any way disturb the committee mechanism proposed in this ordinance being considered tonight. It will provide for a clean referendum from the people, all of the people. My proposition allows for the people to vote for all of it, none of it, or part of it. The way it is now, that freedom of choice is not possible and it should be. My proposition is to split the one-half percent for Fire and Police out of the ordinance and make it a separate ordinance keeping intact the restrictions on what the money can be spent for. What will be left is the same one-half percent for amenities, the same committee mechanisms, with no harm done to that part. If this does not pass at the ballot box for Team Jonesboro then they can get the signatures needed to put it on the ballot by going directly to the electorate which, I think, is the most forthright way anyway. If you going to ask people for their money, do it face to face.

If Team Jonesboro truly feels this is the desire of the city, then this city will show up and vote and there should be no opposition for the split. If this is not split, then I feel it is saying a couple of things. 1) Support for Amenities is not as strong as we are being led to believe and does not have the support to be passed without being tied to or propped up with a funding mechanism for Fire and Police. 2) Team Jonesboro is willing to sacrifice Police and Fire needs for amenities by forcing a my way or the highway vote. In other words, if you don't play ball the way I want, I'll just take my ball and go home. That is antics we see in Little Rock. Let's not do that here. I think the other almost 80,000 citizens of Jonesboro have a right to expect its elected officials to keep their interests in mind as well. In my view, there is absolutely no reason why this should not be split.

In summary, first I would like for more data to be requested so we can get a handle on exactly what we need so we can determine what the true sales tax might need. I would ask that one of you make a motion to instruct our city attorney to split this ordinance into two separate and distinct ordinances. One for fire and police keeping the same restrictions on the use of funds, and the other for amenities keeping the same guidelines for committee purpose, formation, and structure. If this is so moved, I would ask that a roll call vote be taken for the record. I want the true desire of the people of Jonesboro to prevail. I trust the people of Jonesboro to do the right thing. The question is do you?

Mr. McDaniel said, well, I appreciate Bobby's comments. I believe that much of what he said needs to be hashed out during the campaign if we are allowed to have one. At this stage, we are simply asking to put it on the ballot. We could have gotten signatures, but we did not get signatures specifically to do it face to face and do it this way. I want to say a couple of things. One, while I do appreciate the information about Fayetteville, the economic cesspool that it apparently is, I, personally, never brought up Fayetteville during my presentation other than to say specifically, I am not comparing ourselves to Fayetteville. That was the only thing I ever said about Fayetteville. I am not doing it. I am not going to compare it. So, while all of Bobby's stuff was informative, I don't think it applies. The part about the split, I believe is more appropriate to discuss that on the next ordinances if we can get that far. And, regarding "little Johnny," little Johnny was a metaphor. I am a poet. I won't apologize for that. I cannot help for sometimes speaking in metaphor. So, that metaphor was specifically for, we have become a city that can afford to keep the lights on, but cannot afford to go out to eat and you better hope little Johnny does not fall and break his arm. Again, in the metaphor, what that would mean is that little Johnny would be the city, some need of some sort. There is not specifically a little Johnny out there.

Again, that is a metaphor. Regarding the rest of that stuff, I think the crux of what he had to say needs to be addressed in the other ordinances because I believe it was a request for an amendment of some sort. The argument will absolutely be the anti-tax side of this argument. And, I believe the appropriate time to have that discussion is during the campaign. The appropriate time to have that discussion is not right now when we are simply asking for the right to have a campaign. That is all I have to say. Thank you.

Richard Wang, 101 University Drive, said, thank you for the opportunity to say something at this point. I'll keep it short. ORD-19:029 and ORD-19:030 are in a relationship. One does not exist without the other. So, that is where I am. What is the relationship between the ordinance that we propose to the voters, would refer to the voters a proposal to raise a one percent sales tax. Those of you who know me a little bit, know and wouldn't be surprised to know that I am all for that. I ran for council a couple of times. And the platform, given the opportunity to speak is very difficult. I wish for the same thing the group that is calling itself Team Jonesboro is about. Sidewalks, parks, bike trails, quality of life, that wonderful phrase that we all use. Yes, and tying it to economic development. Yes, just like this group is. They are my friends, most of them. I support this effort. I get the connection. I studied it. I have done the reading. Coach Ewart is right here. I don't know if he is going to say something, but he knows more than maybe most of us about that connection and it is very important. Quality of life, it is about the next step. It is about moving beyond and moving our economy into the next generation for sure. So, I will vote for that. But, my concern is with the relationship between ORD-19:030 and ORD-19:029. Would there be a way that, someone said, to hash it over more. We need to spend a little bit of time on that relationship. It seems to me. I see the need for a little more separation between the two ordinances. A little separation between the tax and spend constitutional duties of this council. Not to be shared with anybody, right, that is our constitution, not to be shared. That is the city council's job. If you were to vote to support the initiative, then put that referendum to the taxpayers. You have ownership of that tax revenue if it were to pass generated by that tax. It is your responsibility alone, right, monolithically. That is the law. That is the constitution. Everybody knows this. Some of you have been on the council. You know very well that's the truth. I'm concerned when I see an oversight integrity council without any sense of an advisory committee. I don't see it. Why not put advisory committee in your name? Metropolitan Area Planning Commission is an advisory committee. City Council handles land use issues. It is clear, yes. Would we not hash this over a little bit and say ok we are very clear. It is not so clear to me. I'm not sure it is going to be clear to a lot of taxpayers and I don't know if this is going to work at the polls. We need to be clear. Whose responsibility is it? Final analysis, final instance to determine, right, the priorities associated with expenditure of that taxpayer, right, money. Your job. Whose responsibility? It is your job. You have ownership of that tax. You have a responsibility to make sure that there is a line, a clear line. Could we not make it clearer? I think we could. There is time, right, this is it, but I would like to see that clearer for me so I could support this initiative for the future of this city. City Council needs to reflect, perhaps a little bit, on its place in our constitutional system, situated south, right, within that constitutional system. What is the City Council's job? When can it share? When can it not share? It needs to be clearer. I don't see it, alright. Prescribing other matters pertaining thereto. I don't know what that means. To identify, research, investigate, review and prioritize potential future capital improvements of a public nature within the city of Jonesboro and prescribing other manners. I don't see advising. The group needs to be in an advisory capacity with you, the City Council. If it is not, then you are abrogating your responsibility under the constitution. It seems so clear to me, but perhaps I am just not understanding exactly. This is the first time I have seen this. Chairman Hafner said, Mr. Wang, if I may, in

Section 5 of this ordinance, it talks about the Council being the Jonesboro Oversight Integrity Council. It says the council shall be charged with compiling and reporting its recommendations including identifying and prioritizing the proposed public improvements in the categories set forth in Section 2 of this Ordinance. So, it's charge is compiling and recommending to the Council, the City Council. Dr. Wang said, I don't see recommending in the ordinance. Chairman Hafner said, it is in Section 5. That is only the title of the ordinance. That is not the whole ordinance. Dr. Wang said, this is what the voters are going to see. This is what they are going to look at. Chairman Hafner said, they will see the whole ordinance. Dr. Wang said, I am just suggesting that we hash a little bit more. Let's think about it a little bit. I am done. I have said my piece. I thank you for your good work. I appreciate the committee itself, this committee, and I appreciate all of those folks that are volunteering their effort. I stand ready to help in any way that I can. But, I would like it to move forward. And if I see it and that is the ballot issue, its' not going to. Thank you. Chairman Hafner said, thank you.

Chairman Hafner said, just remember that this is still on the committee. Mr. McDaniel said, I just want to clarify one thing. What I want to clarify though from what I heard Dr. Wang say, I believe that he might believe that this may be a ballot question. But, the ordinance is not a ballot question. The ordinance is an up or down kind of vote amongst City Council. Even if the other two ordinances make it to ballot and get voted down, this council could still exist in theory. I think it should because there is nothing wrong with having long term planning in regards to quality of life infrastructure. So, I believe his concern, I don't want to speak for him, but from what I heard, I believe his concern was more about voter confusion. I just wanted to clarify that we as Team Jonesboro do not see the council, the oversight integrity council portion of this ordinance as a ballot issue. This is more of a City Council standard ordinance.

Jim Burton, 320 E. Nettleton, said, I promise you first since I think it was Lincoln that said that brevity is the soul of clarity. I'll be brief. I am in my 40th year of practice in law here. I don't handle criminal cases. I do personal injury work. But, I had the opportunity to serve this city for five years as City Attorney. I served on the jail improvement board. Ten years ago, the Mayor asked me and Skip Mooney, Jr. to head up a committee at the start of the recession to get a temporary police and fire tax passed. And, we took that on with some trepidation, but we got it done. Unfortunately, that tax sunsetted. We are at a juncture right now, folks, where I think a great deal of what has been said up until now is superfluous. Somebody said that we are not in an emergency situation, I would submit to you that anytime you pick up the newspaper or look at KAIT8's website and there is a shooting or an armed robbery, things that we previously didn't concern ourselves about too much in this city despite the repetity of growth, then I would say that sort of qualifies as an emergency, at least for the poor people who are working second and third jobs to take care of a family and they have the misfortune to work at a Kum 'n Go or someplace like that at 2:30 in the morning when somebody comes over from another town around this part of the state and decides to rob them. With all of that said, my chief concern here, I don't care how the ordinance is framed. I don't care how the committee is framed. I want to get this thing on the ballot and I want it to move toward a vote. All of the wonderful amenities that we already have and that we can have more of as a result of this plan which I heartedly endorse. All presupposed that you have a platform of public safety on which all of that rests. If you don't have that, you can't secure a safe future. If you can't secure that, it doesn't matter what kind of arts council you have, what kind of museum you have, what kind of other amenities to attract people to this city you have. And, certainly, that is happening. I saw the numbers the other day. We are about 300 people off of 80,000 people. Well, that is remarkable. When I was City Attorney, we did Mayor Brodell's big

annexation. In 1990, I had a man that was an opponent of it come to me and say, son, and when someone says son to you, they are getting ready to patronize you. Son, yall won't fill that land up in 100 years. By god, we have filled it up in 29. Now, I love this city. It has been good to me and my family. And, I do not want to see it fall into a retrograde situation like some other places in northeast Arkansas, one of which I grew up in as a child, not far from here, which went the other way because they didn't have any leadership. And, now, they are crime ridden. I do not want to see that. I want to see this passed. I want to see the police and the fire departments get the support that they need and that they need desperately. Believe me, ladies and gentlemen, if you haven't worked around them, the police and fire department of this city, you get more than your money's worth out of them and that is for sure. The other things can come along. The other things can be developed, but that is principal, that is priority. Like I said, I will be brief. That is about all I have got to say for this evening, but I may be back. Thank you.

Chairman Hafner said, make sure that you talk about the committee, not the ordinance itself. We are still on the committee ordinance.

Debbie Sitzes, 217 Gilbert, said, the committee means this right here, right? Is that what you are talking about? Chairman Hafner said, no. It will be a separate committee. Ms. Sitzes asked, a committee that you are going to chose to make decisions on these projects, right? Chairman Hafner said, right. Ms. Sitzes said, that is going to be based on diversity. I want to know how much diversity? Chairman Hafner said, I can't answer that question. I don't know who all is going to apply to be on it. Ms. Sitzes said, I can use myself as an example. I see a project that is coming up that is going to be a lot of money. I can hire a whole bunch of women. I can be an all female job site and I want that money. So, diversity says me and my girls should get that. That is what I am saying. I think it should be based on experience and knowledge, not so much diversity. Chairman Hafner said, that is probably going to be just one component of it. We are a diverse city. We need to make sure that we are diverse as we can be on this committee if it happens. Ms. Sitzes said, I have heard that before and I have been involved in that before and it is always downplayed in the beginning and then it doesn't end up that way. So, enough said on that. The second part is you are going to vote on this, this council here? And, then the public? Jonesboro is going to vote on it? Chairman Hafner said, on this committee itself, if it makes it out of committee today, then it will be voted on by council. This is not a ballot question. This committee is not a ballot question. If it goes to the next step, it goes from committee to council. Ms. Sitzes asked, ultimately, is it going to be voted on by the people of Jonesboro? Chairman Hafner said, not this committee. The tax would be if it makes it. Ms. Sitzes asked, only the tax not any of this? Chairman Hafner said, not the committee. No. The committee is not voted on. Committees are not voted on. Ms. Sitzes said, that is a lot of money. That could be huge. You don't think the people of Jonesboro should have a vote on that? Chairman Hafner said, no, I don't think the citizens of Jonesboro should have a vote on who is on this committee because anybody that is a citizen of Jonesboro that is old enough to vote can be on this committee. So, you don't want 40,000 people to run campaigns and appear on a ballot and get voted on. It would be, I think, procedurally impossible to have a committee like this voted on by the citizens. Ms. Sitzes said, I mean to vote on this entire system. Chairman Hafner said, in my opinion, the committee can't be voted on by the people. Ms. Sitzes said, I mean they might want to vote it down just for the tax. Councilmember Charles Coleman said, it is two different things. City Attorney Carol Duncan said, the tax will be voted on. Chairman Hafner said, yeah, the tax will be voted on. Ms. Duncan said, it is just the committee that won't be voted on by the citizens. Ms. Sitzes asked, even if they vote down the tax, the rest of it can go forward? Ms. Duncan said, if they vote down the tax,

then there would probably be no need for a committee. Chairman Hafner said, so there could still be a need for long term planning that we don't currently have right now. Ms. Duncan said, I mean they could plan, but they wouldn't have a lot of money. Chairman Hafner said, the committee would be more pertinent or needed if we actually had money and wished to invest it in the kinds of projects that we are talking about instead of just talking about them. Ms. Sitzes said, thank you. Chairman Hafner said, thank you for your comments.

Chairman Joe Hafner asked, is this about the committee or is this about the tax? I don't know. I just need to know one thing. You will have to excuse me. I am Curtis Montgomery, 1704 Smoot, and I am hard of hearing alright. As I understand what you are saying. You are looking for something. You are taking this to the council, right? Chairman Hafner asked, are you talking about the committee? We are just the Finance Committee. Anything that we forward goes on to Council next. Mr. Montgomery asked, so if anybody has anything to say about separating the two, one for the essential stuff and the other for the quality stuff, would say that in front of the Council, right? Chairman Hafner said, you can, but we are also going to talk about the ordinance itself next. Mr. Montgomery asked, the ordinance itself? Chairman Hafner said, right now, we are just talking about the committee. Mr. Montgomery said, let me understand, what you come up with goes to the Council, but the Council votes on whether this is going to go forward as one or two ordinances, right? Councilmember Coleman said, I think you are mixed up. We are talking about the committee. We are not talking about the money. Mr. Montgomery asked, you are not going to be talking about what goes to the citizens of this city to vote on? City Clerk Donna Jackson said, that is the next item. Councilmember Coleman said, this committee here has to vote for it to go to the Council or don't go to the Council. Mr. Montgomery asked, so anything about splitting it or anything else will have to be addressed to the Council, not this committee? Councilmember Coleman said, you can address it. Chairman Hafner said, you can address it to us, but that is not the ordinance that we are on right now. Right now, we are only on the ordinance for the committee, the oversight committee, the integrity council. Mr. Montgomery said, ok. Ms. Jackson said, we are on ORD-19:029 which sets a committee. The next one you are talking about is ORD-19:030. It comes up next. Mr. Montgomery said, I see that and I see that one percent sticking me right in the eye. Now, ok. My point is separate the two. One is essential and one is quality of life. Don't let one or the other adversely affect the other. That is my position. Thank you. Chairman Hafner said, thank you for your comment.

A motion was made by Councilperson Ann Williams, seconded by Councilperson Charles Coleman, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[ORD-19:030](#)

AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF JONESBORO, ARKANSAS ON THE QUESTION OF LEVYING A ONE PERCENT (1.00%) SALES AND USE TAX WITHIN THE CITY OF JONESBORO, ARKANSAS; TO PROVIDE THAT ONE-HALF OF ALL NET COLLECTIONS DERIVED FROM THE SALES AND USE TAX SHALL BE USED TO FUND THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPPING, AND IMPROVING OF CAPITAL IMPROVEMENTS OF A PUBLIC NATURE FOR THE CITY'S POLICE AND FIRE DEPARTMENTS, AND FOR THE OPERATION, MAINTENANCE, AND STAFFING OF SUCH CAPITAL IMPROVEMENTS; TO PROVIDE THAT ONE-HALF OF ALL NET COLLECTIONS DERIVED FROM THE SALES AND USE TAX SHALL BE USED TO FUND THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPPING, AND IMPROVING OF CAPITAL IMPROVEMENTS OF A PUBLIC NATURE FOR THE ARTS, AQUATICS,

BEAUTIFICATION, LIBRARIES, MUSEUMS, PARK FACILITIES, RECREATIONAL FACILITIES, SIDEWALKS, AND TRAIL SYSTEMS AND FOR THE OPERATION, MAINTENANCE, AND STAFFING OF SUCH CAPITAL IMPROVEMENTS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

Sponsors: Joe Hafner and Gene Vance

Attachments: [opposition to sales tax 06042019.pdf](#)

Louis Lancaster, 2916 Dacus Lane, said, did you ask for comments? Chairman Joe Hafner said, yeah. I didn't see any. We just voted on it. Mr. Lancaster said, I have no party affiliation with any of you people. I hate being up here. The less that I have to do with the city, the better off I am. If you patch the potholes, then I am happy. However, according to the internet this morning, Arkansas rates 33rd by population of the United States. It rates number 25 by income tax burden. It rates number 17 by allover tax burden. It rates number 5 by sales tax and excise tax burden and you are wanting to add another cent to that. That would move us up to number 3 for just locally. I suggest that if you want to improve quality of life for me, you reduce the damn tax. It spooks me when groups, individuals, governments get together and come up with a pet project that they want me to pay for. That is just not right. Quality of life, climate change, comprehensive immigration policy, it is all buzz words, it doesn't mean anything. What happened to the social security lockbox? Fayetteville has fifteen brew pubs and breweries. You talk about getting the money they got, go right ahead. Maybe a couple of bars here is what we need. It just aggravates me. I don't know what to tell you about it. You all are going to do what you want to, but it's just not right. Thank you. Chairman Hafner said, thank you.

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[ORD-19:031](#)

AN ORDINANCE PROVIDING FOR THE LEVY OF A ONE PERCENT (1.00%) SALES AND USE TAX WITHIN THE CITY OF JONESBORO, ARKANSAS; TO PROVIDE THAT ONE-HALF OF ALL NET COLLECTIONS DERIVED FROM THE SALES AND USE TAX SHALL BE USED TO FUND THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPPING, AND IMPROVING OF CAPITAL IMPROVEMENTS OF A PUBLIC NATURE FOR CITY'S POLICE AND FIRE DEPARTMENTS, AND FOR THE OPERATION, MAINTENANCE, AND STAFFING OF SUCH CAPITAL IMPROVEMENTS; TO PROVIDE THAT ONE-HALF OF ALL NET COLLECTIONS DERIVED FROM THE SALES AND USE TAX SHALL BE USED TO FUND THE ACQUISITION, CONSTRUCTION, REPAIR, EQUIPPING, AND IMPROVING OF CAPITAL IMPROVEMENTS OF A PUBLIC NATURE FOR THE ARTS, AQUATICS, BEAUTIFICATION, LIBRARIES, MUSEUMS, PARK FACILITIES, RECREATIONAL FACILITIES, SIDEWALKS, AND TRAIL SYSTEMS AND FOR THE OPERATION, MAINTENANCE, AND STAFFING OF SUCH CAPITAL IMPROVEMENTS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

Sponsors: Joe Hafner and Gene Vance

Attachments: [opposition to sales tax 06042019.pdf](#)

Chairman Joe Hafner said, I'm going to switch the order of the next one. I am actually going to read the ordinance regarding the levy first and then to the one regarding the special election.

A citizen approached and said, one quick question again on this tax that was being collected, with half for the city fire and police, absolutely no problems with, and the facilities. I am wondering if these taxes though, and I think I brought this up before, can this money be put on a separate line item within the budget so that we have transparency to see how this money is truly being spent for these facilities? If it is going to an aquatics center, it is coming out of this line item, it is \$6 million. If it is going to the shooting complex, it is \$6 million. If we are buying a garbage truck or a police car or whatever, these need to be separate line items so we see the transparency of this \$200 million over the next twelve years. Chairman Hafner said, yes sir. The citizen said, if not, then this is just going to get rolled into the general fund and no body is going to be able to track it three years from now. City Attorney Carol Duncan said, any time a tax is designated, it is required that you be able to track that the tax was spent for the category that the voters approved it for. So, that would be a requirement. The citizen asked, so that will be a separate line item that we can look into to see what was spent? Ms. Duncan said, yes sir.

Louis Lancaster, 2916 Dacus Lane, asked, ORD-19:031, which you just read, is asking for a one percent sales tax? Chairman Hafner said, yes. Mr. Lancaster asked, and ORD-19:30, which we skipped over is asking for a one percent sales tax? Chairman Hafner said, no. They are related. ORD-19:031, if it got placed on the ballot, would not go into effect unless the special election that ORD-19:30 calls for passed. Mr. Lancaster asked, are you talking about one percent or two percent? Chairman Hafner said, it is one percent total. It is one percent total. ORD-19:030 is only authorizing the special election to enact that tax that is asked for in ORD-19:31. Mr. Lancaster asked, which will run twelve years? Chairman Hafner said, yes, if it passes, yes.

Councilmember Bobby Long, 4121 Oakhill Lane, said, again, this is the tax, the levying mechanism. I would ask that one of the members of the Finance Committee make a motion to split this into two separate ordinances. And, after such motion being made, a roll call vote be taken. Chairman Hafner said, there is already a motion and second to forward to full council.

Councilmember Gene Vance, 2911 Covey said, we have had a lot of talk about increasing the revenues for the city for a long time. And, I have been one that has advocated from my position on the Council, now is not the time for a council or administration led tax levy. We have before us a presentation from citizens of Jonesboro asking for the one percent tax. If this committee and the council following it separates the two, then it becomes a council issue. And, I really think this needs to remain a issue for the citizens of Jonesboro and not for the council. Chairman Hafner said, thank you.

Police Chief Rick Elliott, Jonesboro Police Department, said, on behalf of the police department, I will concur with Councilmember Vance that this needs to be one vote, one issue as it is being proposed. This is about quality of life and yes, we all know about the public safety side and I agree. Obviously, there is not an argument there that we have a need for improvements over public safety, police and fire. Ok. The other side of public safety is sidewalks. Right now, we have a sidewalk project from Belt to Magnolia that needs to be built. It is about \$2 million. Dr. Coleman has repeatedly said, we need a sidewalk. But guess what, we don't have the money to fund this sidewalk right now. There is \$2 million that we don't have. This could be a priority project. And, this list of sidewalks goes on and on and on. We talk about these other amenities that some people think that is not important. It is important. It is important

to me in law enforcement because I look at it as on the proactive end of law enforcement. I want a place for these kids to go and have things to do. The greatest thing the City of Jonesboro did years ago was when this City Youth Ministries City Youth Team opened up over here. Our juvenile crime dropped. This has been a saving grace for the youth in our city and it still is. These other programs, these outreach programs that have developed throughout this city are great for the city and great for our youth because, trust me, if they are left idle, they will get into mischief and subsequently get into our hands. Right now, we are having youth trying to be, you know, recruited into gang activities. That is a problem that we are trying to get addressed and get a hold on and get rid of before it gets out of hand. So, proactive with these amenities, these parks, these trails, whatever, there is that need. Public Safety, quality of life, it is hand in hand. So, when you think about wanting to divide or not, please keep it as written and let's push forward. As far as emergency, we needed this years ago. When this last tax sunsetted, my budget has been hammered and hacked every since. I had five police cars this year. I have added two people off of a federal grant in the past couple of years. I have done what I can do with what I have got. It is time to move forward. We can't wait any longer. This vote should of happened this spring. So, it is time to get this on the ballot and let's get it moved forward and do what we need to do. Thank you very much. Chairman Hafner said, thank you.

Fire Chief Kevin Miller, Jonesboro Fire Department, said, I am going to echo what Chief Elliott said. He is nailing it right on the head. As far as the emergency services and quality of life, they do go hand in hand. You can't have one without the other. Our needs for the fire department are very apparent. We are growing. Being able to keep up with that addition, being able to keep up with the growth and development, we need two fire stations now to be able to meet the needs we have. Depending upon what growth and development comes in the future, we are also going to look at those. But, the safety and quality of life go hand in hand. You can't have one without the other. You can have all of these amenities, but if people don't feel safe enough to use them, then they are not. And, you can have the greatest protection, but if everybody feels like every weekend, they have got to go somewhere else to do something, then what are you protecting? They go hand in hand. We are going to jump into this with both feet, one direction, keep the sales tax together and we move forward just like what Chief Elliott said. Chairman Hafner said, thank you.

A motion was made by Councilperson Ann Williams, seconded by Councilperson Charles Coleman, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman; Ann Williams; John Street; David McClain and LJ Bryant

RESOLUTIONS TO BE INTRODUCED

[RES-19:062](#)

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS CERTIFYING LOCAL GOVERNMENT ENDORSEMENT OF BUSINESS TO PARTICIPATE IN THE TAX BACK PROGRAM (AS AUTHORIZED BY SECTION 15-4-2706(d) OF THE CONSOLIDATED INCENTIVE ACT OF 2003).

Sponsors: Mayor's Office

Councilmember David McClain said, I am just trying to get some clarity. We are refunding them, I guess. City Attorney Carol Duncan said, our Bond attorney is here. Councilmember McClain asked, I am just wanting some clarity as how RES-19:062 and RES-19:064, are they going to be tied together? Chairman Joe Hafner said, they are, but one is financially related and one is construction related. Councilmember

McClain asked, can you give me a little more clarity? Michele Allgood, Mitchell Williams Law Firm, 110 E. Huntington, said, we are assisting Risever as their local counsel. This is in the standard form. So, it is presented to you in the form that AEDC (Arkansas Economic Development Commission) asks us to present. They are going to get back the sales tax that they pay. It is specifically designated what things that they pay sales tax on that they can get back. And, so most of that is construction. Councilmember McClain said, ok. On the second part, it says we are issuing. We can get there when we get there. Chairman Hafner said, it is financing related. Let's cover that later. Councilmember McClain said, ok.

Curtis Montgomery, 1704 Smoot, said, I'm sorry. I didn't mean to interrupt, but I am confused. Are you still representing the council and this is your meeting? Chairman Hafner said, we are City Council members, but this is just the Finance and Administration Committee meeting. Mr. Curtis asked, is this an official City Council meeting? Chairman Hafner said, no, it is not an official City Council meeting. That is on the first and third Tuesday of each month. Mr. Montgomery said, that is who I want to talk to. Thank you. Chairman Hafner said, this is just a committee meeting.

A motion was made by Councilperson John Street, seconded by Councilperson LJ Bryant, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-19:063](#)

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH TOTAL LIFE HEALTHCARE TO SCHEDULE JET SERVICES

Sponsors: JETS

Attachments: [routematch-04162019152809.pdf](#)

Chairman Joe Hafner asked, what exactly are we doing here? In the contract itself, it talks about Route Match and Route to Match user licenses. JET Director Michael Black said, they are actually piggybacking off of our software. They provide their own transportation. They do their own scheduling. This would give them an additional desktop to put the program on so that they can have three folks there doing their scheduling as compared to right now, just two. Chairman Hafner said, ok.

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-19:064](#)

A RESOLUTION AUTHORIZING THE ENTRY INTO AN AGREEMENT TO ISSUE BONDS FOR THE PURPOSE OF ASSISTING IN THE FINANCING OF INDUSTRIAL FACILITIES WITHIN THE CITY OF JONESBORO, ARKANSAS, TO BE LEASED TO RISEVER MACHINERY, LLC, PURSUANT TO THE AUTHORITY OF THE LAWS OF THE STATE OF ARKANSAS, INCLUDING PARTICULARLY AMENDMENT 65 TO THE ARKANSAS CONSTITUTION AND THE MUNICIPALITIES AND COUNTIES INDUSTRIAL DEVELOPMENT REVENUE BOND LAW

Sponsors: Finance

Attachments: [Agreement to Issue Bonds \(Risever\) \(2\).docx](#)

Councilmember LJ Bryant said, so I haven't been around long enough to see this come through. So, maybe for Risever's counsel or our City Attorney, can you just walk me through what, if any, liability we have on this. Michele Allgood, Mitchell and Williams Law Firm, said, you have no liability. That is my favorite question. So, you have no liability. The purpose of the bond, we have to do a bond issue under Arkansas law, but the purpose is to put into place the payment in lieu of tax agreement. So, the city, as many of the councilmembers remember, they have a very strong history of supporting economic development and this is the best tool, in my opinion, in your toolbox for doing that. I anticipate that Risever will be asking for incentives. They are similar to what you have been doing for other companies. Some of the ones I have worked on are Frito-Lay, FMH Conveyor. So, typically, Arkansas law permits a maximum abatement of 65% of what would otherwise be due. And, then a maximum term of thirty years. The city's history is typically a 65% with a negotiated term. So, I anticipate there would be somewhere between 15 and 25 years. So, one way to look at this, is that this is incentivizing. Risever relied on the city's history whenever it decided to put its plant here. So, they are looking at an investment between \$20-\$25 million. The ad valorem property taxes on that, they would be paying 35% of what would otherwise be due. 35% is something and is more than 100% of nothing. But, I am happy to answer any specific questions. You have no liability and it is to achieve the purpose of incentivizing them. Councilmember Bryant said, thank you. Ms. Allgood said, this is a non-binding resolution. This is to follow the city's protocols. So, we have statutory compliance processes including the public hearing. So, the primary purpose is to start that process. Councilmember David McClain said, so the resolution goes for next week. We have a public hearing. Then we come back with a separate ordinance, I guess. Is that the process? Just walk me through the process. This is my first time going through this. So, help me understand and see what the process is like. Ms. Allgood said, so, what we do in the City of Jonesboro is that we bring the resolution to the Finance committee. You recommend it to the City Council. And, then, the City Council, when it adopts this, the primary thing that it is going to do is it is going to set the public hearing for June 18, 2019. And, then we will follow the normal protocols, work with the City Attorney and the City Clerk in getting the bond ordinance, the official obligating document introduced into the normal protocols. So, that will come back to you at your next meeting assuming that the City Council passes this resolution next week. So, the ordinance will come to you and assuming that you recommend that to the City Council agenda, then at the June 18th meeting, there will be a public hearing and you will consider the bond ordinance that would implement or put everything into place to activate this incentive. Councilmember McClain said, are they asking for \$25 million? Ms. Allgood said, that is what they are investing. So, what you are doing is the property taxes that you pay, the same property tax bill that you get for your cars and for your home, the ad valorem taxes, the millage that goes to the schools, that goes to the roads, what you are saying is instead of paying 100% of the property taxes on that \$20 million investment, we are going to let you pay 35% for a certain period of time. Not forever. The law does not permit it to be forever. Councilmember McClain said, ok. Thank you. Chairman Hafner said, thank you.

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-19:065](#)

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS, TO ACCEPT THE LOW BID AND ENTER INTO A CONTRACT WITH TATE GENERAL CONTRACTORS, INC., FOR FORUM RENOVATIONS PROJECT (2019:22)

Sponsors: Engineering

Attachments: [2019-05-14_Bid-Tabulation_Certified.pdf](#)
[A101-2017 - Agreement - Forum-Renovations.pdf](#)
[A201-2017 - General-Conditions - Forum-Renovations.pdf](#)
[Bid Form.pdf](#)

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-19:066](#)

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS, FOR THE CITY OF JONESBORO TO ENTER INTO A CONTRACT WITH NORTHEAST ARKANSAS INDUSTRIAL DEVELOPMENT COMMISSION (NEAIDC) FOR FUNDING OF ECONOMIC DEVELOPMENT SERVICES

Sponsors: Mayor's Office

Attachments: [Contract NEAIDC19 received 05222019.pdf](#)

Chairman Joe Hafner said, my only comment is that this is in line with past years. Also, the core lead presentations are still in there as updates for the City Council. I think it is time or maybe a little past time for them to come back and give us another update. I think it was like in December or so when we got our last one so I would just ask that we get them back here hopefully in June.

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-19:067](#)

RESOLUTION EXPRESSING THE WILLINGNESS OF THE CITY OF JONESBORO TO SUBMIT AN APPLICATION TO THE U.S. DEPARTMENT OF TRANSPORTATION FOR THE FY19 BUILD GRANT FOR THE SOUTH CARAWAY ROAD WIDENING EXPANSION PROJECT

Sponsors: Grants

Attachments: [07 - S Caraway Widening_AERIAL EXHIBIT.pdf](#)
[S. Caraway Widening Expansion Cost Estimate.jpg](#)
[Citizen Comment 06042019.pdf](#)

Chairman Joe Hafner said, my only comment is that it looks like this would run from East Parker to Fox Meadow. Councilmember David McClain said, I know Craig that it is not official, I was looking at the design here on the aerial design, I know that is not the final deal, but are we anticipating sidewalks, bike lanes, all of that kind of stuff or are we just going to do sidewalks and that's pretty much it. What are we anticipating? I know it depends on how much we get if we get anything. Engineering Director Craig Light said, the cross section has not been finalized yet, but it is proposed as a five-lane cross section with sidewalks on either side. That is in accordance with what our current design guidance from the Master Street Plan is for a five-lane section for a minor arterial with sidewalks on each side. I mean there is an alternative with a trail on

one side. For an arterial, there are no one lane bike lanes in our Master Street Plan.

A motion was made by Councilperson John Street, seconded by Councilperson LJ Bryant, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-19:068](#)

A RESOLUTION AUTHORIZING THE ENTRY INTO A CONTRACT WITH CONTRACTSAFE FOR THE PURPOSE OF COMPUTER SOFTWARE TO TRACK THE CITY OF JONESBORO'S CONTRACTS.

Sponsors: Finance

Attachments: [ContractSafe Agreement Jonesboro 052119.docx](#)
[Laserfiche Proposal City of Jonesboro.pdf](#)

City Clerk Donna Jackson said, I have something to say on this one. Mr. Ockert and I had an exchange and I think it got all confused. Nobody talked to me about the purchase of this software. And, it bothers me from the standpoint as the City Clerk, my office is responsible for the contracts. Legistar has that ability to do what this software does. And, we even put in for our budget to be able to do the boards and commissions and keep up with the contracts. And, it was denied. We were told there was no financing for it, no money. And, my feelings are that I am not necessarily opposed to this software, but it comes down to who is going to be administrating this software. And, I don't feel like it should be Finance and Administration since the Clerk is responsible for contracts. I hate to see us have something out there that is being controlled by another department when my office is the one given the legal responsibility. I don't have a problem with pulling it, looking at it, and trying to come up with a compromise. It is not that I am trying to prevent anybody from doing what they need to do, but I didn't know anything about this until we saw it on the agenda. Chairman Joe Hafner said, let me ask this question. On the line item that you had in your original budget, was it an additional module to Legistar in order to do this? Ms. Jackson said, yes. We met with IT, the Mayor, several were involved with it and it was determined that there wasn't enough money. And, we are slowly buying different software pieces that are controlled by other departments when I think we ought to stick with what we have. Chairman Hafner said, I would have to agree with that. If Legistar is keeper of the contracts and there is a part of that that can track the contracts and the due dates and stuff like we are asking for, because I have been one that I have been asking why are we getting this stuff that is already past the date and that drives me crazy. I want us to have something in place in order to do that, but I don't necessarily want to add a system if our current system already does it or can do it. Interim Chief of Staff Roy Ockert said, our belief is that this system will do things that Legistar cannot do such as notify people when contracts are about up or a certificate of deposit for example. It would also give us notification of when appointments to committees are about to be up. It could give us any number of things. It is an administrative tool. It doesn't usurp anything from the City Clerk. The City Clerk will still maintain contracts. I presume that the service that does this would simply pick it up from Legistar and make a copy of it, just as anybody else can do. Chairman Hafner said, I understand that, but I kind of just feel like we are a little bit in the dark. I know there has been a motion and a second, but I guess, if I had my way I would like for it to be tabled and let us look at the different options. Councilmember John Street said, I will amend my motion to postpone temporary for further review of this. Councilmember McClain said, I will send that motion. Chairman Hafner said, yeah, we can look into that some more. Thank you.

A motion was made by Councilperson John Street, seconded by Councilperson David McClain, that this matter be Postponed Temporarily . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

5. Pending Items

[RES-19:037](#)

A RESOLUTION FOR THE ADOPTION OF PRIVILEGE LICENSE FEE SCHEDULE FOR SHORT TERM RESIDENTIAL RENTAL PROPERTIES IN THE CITY OF JONESBORO

Sponsors: Finance

Attachments: [RES-19-037 Amendment 05282019 Finance.pdf](#)

Chairman Joe Hafner said, obviously at our last meeting, Mr. Ockert mentioned about potentially modeling this after the way we do our hotels. I think that each of you all may have received his not really proposed amendment, but his potential amendment to this resolution. Like I said, for our original ordinance, the per unit fees were way too high and I want to keep it fair. So, what is the desire of the committee? Councilmember John Street motioned to forward it to full council as amended. Chairman Hafner said, it hasn't been amended yet. Councilmember Street said, I will motion to amend it as presented by Mr. Ockert. Chairman Hafner asked, is that acceptable? Councilmember David McClain asked, is this the amendment here that is attached here? Chairman Hafner said, I will read the proposed amendment. RES-19:037 version 2 amended, a resolution for the adoption of privilege license fee schedule for short term residential rental properties in the City of Jonesboro. Whereas, Ordinance 18:081 established requirements for short-term residential rental properties in the City of Jonesboro; and whereas, one requirement is that the properties must have a privilege license issued by the city before they conduct business within the city. Now, therefore be it resolved by the City Council for the City of Jonesboro, Arkansas that the following fee schedule is hereby adopted: Number of Units: 1-9 Units - \$100; 10-19 Units - \$125.00; 20-29 Units - \$150.00; 30-39 Units - \$175.00; 40-49 Units - \$225.00; 50-74 Units - \$275.00; 75-99 Units - \$325.00; 100 Units and more - \$400.00. Councilmember McClain said, that is not on Legistar so I was curious. Councilmember Street said, I will move to amend this as read by the chairman. I think it is more than fair. Councilmember LJ Bryant said, I have a question. So, that would be per unit like on the 1-9 units? Chairman Hafner said, no it is flat. Councilmember Bryant said, so you can have up to nine units and it would still be a flat \$100? Chairman Hafner said, yes. It is not per unit, it is a flat fee based upon the number of units. Councilmember Street said, and they have to have a privilege license. Chairman Hafner said, yeah. That is what the privilege license is. Councilmember McClain asked, this isn't both? City Attorney Carol Duncan said, this is the privilege license. Councilmember McClain said, that is what I thought. Chairman Hafner said, in accordance with the ordinance we just passed saying they had to have a privilege license. Ms. Duncan said, right. This is just setting the fee for that. Councilmember McClain said, ok.

Councilmember John Street motioned, seconded by Councilmember Charles Coleman, to amend RES-19:037 to reflect the changes presented by Interim Chief of Staff Roy Ockert. All voted aye.

A motion was made by Councilperson John Street, seconded by Councilperson LJ Bryant, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

6. Other Business

Chairman Hafner said, under Other Business, I did receive today RES-19:069. The Mayor has asked that we suspend the rules and walk on RES-19:069 to tonight's meeting.

[RES-19:069](#)

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS, AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH APEX, INC. FOR THE SALE OF PROPERTY

Sponsors: Mayor's Office

Attachments: [Apex - Delta.pdf](#)
[Complete Commitment.pdf](#)

Councilmember John Street motioned, seconded by Councilmember David McClain, to suspend the rules and walk on RES-19:069. All voted aye.

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

7. Public Comments

8. Adjournment

A motion was made by Councilperson John Street, seconded by Councilperson LJ Bryant, that this meeting be Adjourned . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant