



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, February 28, 2017

4:00 PM

Municipal Center

1. Call To Order

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2. Roll Call by City Clerk Donna Jackson

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Present 4 - Ann Williams; John Street; Joe Hafner and David McClain

Absent 2 - Darrel Dover and Charles Coleman

3. Approval of minutes

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MIN-17:020

Minutes for the Finance Committee meeting on February 14, 2017

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Attachments: [Minutes](#)

A motion was made by Councilman John Street, seconded by Councilwoman Ann Williams, that this matter be Passed . The motion PASSED with the following vote.

Aye: 3 - Ann Williams; John Street and David McClain

Absent: 2 - Darrel Dover and Charles Coleman

4. New Business

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Resolutions To Be Introduced

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RES-17:020

RESOLUTION AUTHORIZING THE CITY OF JONESBORO, ARKANSAS TO ENTER INTO FIVE AGREEMENTS WITH ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY TO PERFORM BROWNFIELDS ASSESSMENTS.

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Attachments: [Jonescrap LLC - BF Assessment Agreement](#)
[General Electric Company - BF Assessment Agreement](#)
[Old Citizen Bank Building - BF Assessment Agreement](#)
[Delta Beverage Company - BF Assessment Agreement](#)
[UPRR Roundhouse - BF Assessment Agreement](#)

Mayor Perrin explained they will be meeting with the EPA and other entities at the end of next month during the Washington D.C. fly-in in order to discuss grant money to improve connectivity from downtown Jonesboro to ASU, as well as some other areas. They have visited with the new director of ADEQ and told them what the city would like to do. These are the spots the city would like to receive assistance with to do a phase one environmental assessment. They already have a lot of the historical background of the spots. Representatives in Little Rock were very excited about the city working to revitalize the downtown area and improve connectivity. This will authorize the city to enter into an agreement with ADEQ to let them do the work for the city.

Chairman Hafner questioned whether there is a cost for the work. Grants Administrator Kimberly Marshall answered no. Right now, they will be providing all assessment one's. That will be the historical background of the property and the surrounding property. That will give the city an idea of what is actually out there in case there's anything the city needs to be aware of. Assessment two's would cover soil, water, air sample testing, etc., but there is limited funding for those assessments. Assessment two does not include cleanup. She has been communicating with the EPA in Fort Worth. They are talking about sending someone to Jonesboro to teach them what Brownsfields funds are and what they're used for. The money is for truly revitalizing communities that are in distress or in decline, that have struggled with redevelopment.

Chairman Hafner noted the properties mentioned are along the railroad corridor and are prime locations for redevelopment. Mayor Perrin agreed. He further explained the only property that isn't along the railroad is the Citizens Bank Building. He has been speaking with Bruce Burrow, who still has the leasehold on the building. The building is being held by the Land Commissioner due to unpaid taxes. This assessment will help anyone who is interested in the building by providing them information as to what is actually there and what it will cost to revitalize the building. That is if the city can get full funding from the EPA. But, first, the city has to have the level one assessment's done at the state level with ADEQ.

Councilman McClain asked about the funding at the EPA level. Ms. Marshall stated the EPA has three types of Brownsfields. Area-wide planning is 100% funded, assessments are also 100%, and cleanups are 75/25. But, the city's match can be in-kind.

Mayor Perrin stated they will be in DC during the last week of March and are in the process of setting up meetings with the EDA, DOJ and EPA. The EPA is sending someone to hold a seminar here, which will be free of charge and open to anyone who wants to know about Brownsfields. He thinks it'll be good for even professors at ASU to attend. This resolution will authorize the city to participate in the assessments. They will then go to each of the companies to get their authorizations and then move forward.

Chairman Hafner added a key point is that this assessment needs to be done if

someone wants to utilize those properties for a different purpose. Ms. Marshall agreed, noting if the city is planning on taking any of the properties, then it has to be assessed. If not, then the city will be liable. The assessments will help protect the city. Mayor Perrin stated he also wants to see the costs, so if a developer wants the property then they can say how much it will cost.

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

Aye: 3 - Ann Williams; John Street and David McClain

Absent: 2 - Darrel Dover and Charles Coleman

[RES-17:023](#)

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH MAAS, INC. FOR SELLING OF ADVERTISING ON JET BUSES

[play video](#)

Attachments: [EXHIBITS.01](#)
 [JET BUS Ad Agreement. Final.04](#)
 [Jet Contract Exhibit A 2 9 17.02](#)
 [MAAS 17 Redacted.pdf](#)

Mayor Perrin explained they have been looking into ways of increasing revenue for the city and doing so by department. They have been visiting with Maas concerning selling advertising on the JETS buses and bus stops. Maas will sell the advertising themselves, do the graphic designs and production. There will be frames on the buses, so the advertisements can be popped into the frames. Maas will collect the money and then settle up with the city each month. This is a two-year contract with the split being 45/55. 55% of the revenue will go to Maas, with 45% going to the city.

Mitch Smith and Andy Bandy Smith discussed the company and the contract with the city. They are a full service advertising agency. They approached Communications Director Bill Campbell concerning selling advertising on the JETS buses. Then, they discussed it with the Mayor. They discussed conservative estimates as to what the revenue could look like. The total from March to February is estimated at \$113,700. \$51,165 of that will go to the city with the remaining \$62,535 going to Maas. The reason the split was designed that way is because the company is intaking the cost of sales, cost of manufacturing and producing the products as well as fixing it. The city will be insulated from ancillary costs of the advertising except for the speed frames on the buses.

Councilman Street asked about the advertising on the bus stops. Councilman McClain noted he has seen Maas advertising on the bus stops already. He questioned if it would be the same type of advertising and then asked if this has been done in the past. Mayor Perrin explained the city had previously had an agreement with an ad agency to sell bus wraps back when JETS first started. Those were for two to three year contracts resulting in the city not making much money because the money was absorbed through the ad agency. That agreement didn't work out. Then, the city hired an employee to sell JETS advertising and paid that employee \$28,000 to \$30,000 per year and paid benefits but sold absolutely nothing. When he became Mayor, he decided to let the advertising be handled by professionals. Maas already has some contacts who are ready to write a check for advertising, but are just waiting for this agreement to go through. Mrs. Smith added one of the things that went wrong previously is that the companies who were advertising had to schedule things with

three or four different people. This time, they will be handling the advertising alone which simplifies the process.

Chairman Hafner referred to the agreement that listed the things that will be prohibited on the buses, as well as the city having discretion also as to what is goes on the buses. Mr. Smith explained they are very proud of their city, so the last thing they want to do is anything that would embarrass Jonesboro. If an ad is not acceptable, they will tell the customer no. But, the city has the absolute final say on whether something can or can't go on a bus.

Mayor Perrin stated this is a two-year contract. A one-year contract would be too short. Two years will show how the selling goes. There are 134 bus stops with 20% of those being covered.

Councilman McClain asked when more of the bus stops will be covered. Chief Operations Officer Ed Tanner stated Jonesboro already has more covered stops than the average, but they will continue to make the appropriate shelters. They would like to make more. Mayor Perrin added the city was also blessed with the addition of the transfer station. He discussed the transfer station and improvements they hope to make there. He noted they also hope to get grant money to construct a walkway between the transfer station and the ASU adjacent sporting fields. The city already applied for the grant, but was turned down. They know where they were weak in writing the grant, so they are going to re-write it and re-apply.

Chairman Hafner asked if the transfer station is open 24 hours a day. Mayor Perrin answered no, it closes about 10 p.m. They haven't experienced any problems with loitering.

Councilman Street questioned if the funds made from advertising will be marked for JETS. Mayor Perrin explained the money will go back into the general fund, but it will be used to help offset the cost of the JETS program. The program is costing the city about \$350,000 per year, which is why they are trying to find ways to earn revenue for the program. Ridership is increasing about 15% each year and they are in talks with other areas like Crowley's Ridge to see how they can service other entities better. They are also looking at running the routes on Saturdays. JETS is currently closed on Saturdays, so they will need to research the cost of running the buses six days a week instead of just five before making a decision. Councilman Street added the cost to run Saturdays would be about \$43,000 to \$45,000 because they can use part-time drivers instead of full-time without overtime. Plus, the city will have to have one paratransit. Mayor Perrin stated they are also working with ASU, doctors and offices to have one single dispatch center for transportation services in the city to ensure citizens are serviced better.

Councilman McClain asked if there were any other offers from other advertising companies. Mayor Perrin answered no other company has approached them about performing this service.

Mayor Perrin questioned whether something could be done on the back of the bus. Mr. Smith stated yes, they would like to discuss other opportunities like the advertising on the back of the bus as well as within the bus.

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

Aye: 3 - Ann Williams; John Street and David McClain

Absent: 2 - Darrel Dover and Charles Coleman

RES-17:024

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH JONESBORO FACILITY OWNERS, LLC TO SELL PROPERTY IN THE CITY LIMITS OF JONESBORO

[play video](#)

Attachments: [NicePak Contract-1](#)
[Building Facilities Minutes](#)
[NicePak Appraisal](#)

Mayor Perrin explained this is a piece of property the city owns next to Nice Pak. They appraised the property and then called Nice Pak to see if they would be interested in purchasing it. The city will be selling it for the appraised value of \$47,000.

Chairman Hafner questioned the timeline, noting the Building Facilities Committee approved the sale last summer. Mayor Perrin stated the holdup has been on Nice Pak's end. They had another big operation going on, so this was put on their back burner. It wasn't until last month that they indicated they were ready to close on the deal.

Councilman McClain asked what their plans are for the property. Mayor Perrin noted the property has trees on it, so they won't be building on it. He added the property is of no use to the city.

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

Aye: 3 - Ann Williams; John Street and David McClain

Absent: 2 - Darrel Dover and Charles Coleman

5. Pending Items

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6. Other Business

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Chairman Hafner stated the committee has a regular meeting scheduled for May 9th. He will be out of town that week due to work, so he asked if the meeting could be rescheduled for May 2nd. Councilman Street motioned, seconded by Councilwoman Williams, to reschedule the May 9th committee meeting to May 2nd at 4:30 p.m. All voted aye.

7. Public Comments

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8. Adjournment

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A motion was made by Councilman John Street, seconded by Councilwoman Ann Williams, that this meeting be Adjourned . The motion PASSED with the following vote.

Aye: 3 - Ann Williams; John Street and David McClain

Absent: 2 - Darrel Dover and Charles Coleman