



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, September 10, 2019

4:00 PM

Municipal Center

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

Present 5 - Ann Williams; John Street; David McClain; LJ Bryant and Joe Hafner

Absent 1 - Charles Coleman

3. Approval of minutes

[MIN-19:081](#)

MINUTES FOR THE FINANCE & ADMINISTRATION MEETING ON AUGUST 13, 2019

Attachments: [Finance Minutes 08132019.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: 4 - Ann Williams; John Street; David McClain and LJ Bryant

Absent: 1 - Charles Coleman

4. New Business

RESOLUTIONS TO BE INTRODUCED

[RES-19:122](#)

A RESOLUTION AUTHORIZING THE ENTRY INTO A CONTRACT WITH RITTER COMMUNICATIONS FOR THE PURPOSE OF RENEWAL FOR THE CLOUD STORAGE FOR THE CITY OF JONESBORO

Attachments: [New COJ Opp-026309 RCOP Cloud Solutions Renewal 08 06 19 \(002\).pdf](#)
[City Of Jonesboro New MSA.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: 4 - Ann Williams; John Street; David McClain and LJ Bryant

Absent: 1 - Charles Coleman

[RES-19:124](#)

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS TO CONTRACT WITH COACH JOEY'S FASTPITCH ACADEMY FOR SPONSORSHIP OF ONE ATHLETIC FIELD AT THE SOUTHSIDE SPORTS COMPLEX

Attachments: [Agreement, Coach Joey Softball Sponsorship, 2019.docx](#)

Chairman Joe Hafner stated, he just wanted to clarify that that's not \$7,500 a year, it's \$1,500 per year for a period of five years.

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: 4 - Ann Williams;John Street;David McClain and LJ Bryant

Absent: 1 - Charles Coleman

[RES-19:125](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO REQUEST FOR RELEASE OF FUNDS AND TO ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR THE EXECUTION OF THE FY 2019 CDBG ACTION PLAN

Attachments: [Request for Release of Funds, Demolition, FY-19 CDBG.pdf](#)
[Request for Release of Funds, Rehab, FY-19 CDBG.pdf](#)
[Request for Release of Funds, Veterans Village Business Center, FY-19 CDI](#)
[HUD FY-19 Funding Approval Letter.pdf](#)

Councilmember McClain said, I have a couple of questions Mr. Chair and maybe Mayor, hopefully you can help me out. Mayor said, sure. Councilman McClain said, I was looking at part of the Veterans Village. How soon until we start on that process? Mayor Perrin said, on the Veterans Village, Lori just came up last week. We've got a time table and schedule. There is a couple of things we will have to change in that deal just by initialing the amendment in that contract. As soon as they get that done, I would say, in about two-weeks. We've already sent the legal work to Lenders Title and once that's okayed to disburse the funds, we will start closing on the houses. We've already gotten the bids to start demolition. I would anticipate that in three weeks, we would be able to close on all the houses. Lenders Title is working on that now and then we will go ahead and do the demo just as soon as we get it cleared out. Councilmember McClain, said, got you. Mayor Perrin said, we are on top of that.

Councilmember McClain, asked, you've already got the bids in place? Mayor Perrin said, yes, we've got bids on demolition and I think Code Enforcement Officer Director Michael Tyner was doing that if I'm not mistaken. Am I right Regina? We've got bids on that. We are going to take them all down at one time, or the same company has already looked at all of them. Now the trailer that is in there, it's better for us, and we had to verify this with Little Rock, he would like to have that trailer moved some place. So, him taking that trailer out is going to save us some money on our demolition and we didn't want to mess with it anyway. So, that really paid off. We are going to save a little money there. Regina and I will be in Little Rock Thursday to go through all of their processing, and sitting down with the Veterans Administration talking about pricing, what you charge people per month. It's transitional housing, so you've got to be careful on the income level in that stuff because everything has got to tie back to the grant as you know. We don't want to do anything that would void that grant. Councilmember McClain said, okay.

Chairman Hafner asked, anything else? Mayor Perrin asked, are you still on 19:125?

Chairman Hafner said, yes. Councilmember McClain said, I would like to ask another question. Mayor Perrin said, I would just like to make a comment. This is about \$20,000 below last year. This is a signal in my opinion from going to DC that the Federal Government is pushing a lot of this stuff to the State. It's going to be tight on some of the things we get. Because last year, that's just less money that we can do to do rehab on these houses for people who really need it and things so that is a reduction. I went back and looked over that last two or three years this \$604,000 and we were hitting \$620,000. So that's about a \$20,000 reduction from last year.

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: 4 - Ann Williams;John Street;David McClain and LJ Bryant

Absent: 1 - Charles Coleman

[RES-19:126](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE 2019 ANNUAL BUDGET FOR THE SANITATION RESIDENTIAL DEPARTMENT

Attachments: [revised for Jonesboro.pdf](#)
[USBGLF Proposal City of Jonesboro AR 091019 MAC.pdf](#)

Chairman Hafner stated, that there have been some changes to resolution 19:126. Do I need to read the original one first, then offer to amend that or can I read the new one? City Clerk Donna Jackson said, I don't think it matters. Chairman Hafner said, okay if it doesn't matter, I'll explain what we did and then I'll just read the new one. So, basically what we did and we will get into more discussion about this when I read it, yesterday, they did another demonstration with a Mac truck with a Mac chassis instead of a Peterbilt chassis and one of the advantages of that is we have a Mac repair place here that can do the repairs here if we need repairs done. There is a little bit of a cost change between the two trucks. I'm going to go ahead and read the resolution and then we can have everybody comment on it.

Mayor Harold Perrin said, Mr. Chairman if I could, I'd like to call on Jamey he is our representative locally and he can introduce his guest. We do have both of the local Mac dealers in town where we don't have to take our trucks across the bridge to Memphis or Little Rock to get them fixed. We looked at the cost difference in just taking the down time on that and this would far exceed that. Chief of Staff Mike Downing and I met with our mechanics yesterday and just seeing the Mac truck and everything is out between the body and the truck. They can work on all the stuff they normally have to work on that's down time. Whereas, on the other model, you have to go inside the truck and tear all that stuff out. It takes hours to get down to the stuff you're actually trying to work on. The big thing is down time. The difference in the spread of the cost between the Mac and the Peterbilt truck was somewhere between \$17,000. I think over the two year period if I'm not mistaken. Break that down it's about \$8,000. These trucks are built for nothing but garbage trucks and that's what I learned yesterday out there. We've had to send out emails and notifications to our citizens letting them know why we are behind and it's because of this down time on repairs on the trucks. With this, we can just take the trucks down to Parker Road and say "fix it".

Chairman Hafner said, just real quickly before Jamey gets started, in the last year and a half to two years on the three trucks we are talking about, we have spent over \$100,000 there and it's not going to get better as these trucks get older. Mayor Perrin

said, based on the fed's lowering the rate and the lease that Bank of America gave us a great rate on this deal of 2.45%, we eventually want to build that whole department up and have it on leases, closed-in leases and I'm familiar with that, but, we could have all new fleet over a period of time. But, we can't just out there at one time. Getting these two on the ground and the knuckle boom is really going to help us right now.

Councilmember McClain said, Mr. Chairman said, I have a question right now and it doesn't matter who answers this question. Chairman Hafner said, do you want Jamey to explain the program first? Councilmember McClain said, that's fine. Chairman Hafner said, then we can follow up with some questions and Jamey may cover some of the stuff.

Chairman Hafner said, Mr. McCoy if you could, come and address the committee. I've known Jamey for a few years. Jamey McCoy introduced Michael McCormick with TriState Truck Center here in Jonesboro, Joey Parker with U.S. Bank, and Todd Gaurley with TriState Truck Center here in Jonesboro. Jamey McCoy said, so, Michael and Todd represent the chassis, which is the Mac chassis. I represent the Heil body on the back. We marry them together and provide you with a good truck. We've worked together a long time and it's a good team. So on the two year buy back, does anyone have any questions on that? Are you familiar with it?

Chairman Hafner said, just explain how the program works and the benefits you all provide with it just beyond a newer truck, modern train work and maybe helping with maintenance repair work.

Jamey McCoy said, so the way this program works for the City of Jonesboro is we sell you the trucks as we offered today. But, when we do we enter into a partnership with my company River City Hydraulics and TriState Truck Center and we come in and monitor those trucks every quarter to make sure they are being taken care of. Make sure that the oil has been changed, make sure they are being greased. We do that because we partner with you. At the end of the 24-months I've got to buy them back and I want them to be in tip-top shape when I buy them back. So, we really become a partner with you. You've got a second set of eyes with our company watching your trucks making sure they are being maintained.

Councilmember McClain asked, Mr. Chairman if I may, is it common for the city to use the buyback program? Mayor Perrin said, yes. Jamey said, yes sir. For now, around you Paragould, Blytheville, Manila, Marked Tree, Forrest City, Wynne and Osceola are doing it. Councilmember McClain said, okay. I was just curious. I didn't know if it was more cost effective to buy something then to have you maintain it. Jamey said, the reason this whole thing came about was because what cities were doing in smaller towns, were buying these trucks then they would budget for a certain amount every month and then they would loose and engine or a transmission then they would have a huge expense that they were not incurring. For budgeting purposes this program keeps your bill curve flat. Every month you know this is going to cost you this amount of money, and it's covered from bumper to bumper with warranty. Now where that comes in is with our quarterly review. We come in and make sure there is no leaks and stuff like that. We try to fix those repairs that are needed during that 34-month period while that truck is still under warranty.

Mayor Perrin said, his bet on that is just like the market that's why he does his maintenance. Because he's going to buy that truck back at x amount of dollars. Chairman Hafner asked, and we have the option, if we want to at the end of the 24 months to keep the trucks? Jamey said, you absolutely do. Chairman Hafner asked,

to pay off the note or assume the note? Mayor Perrin, said yes. Jamey said, the only thing I will be out if you do that is all the time I've invested in coming out every quarter for two years, maintain those trucks. Mayor Perrin said, we would hope to have the fleet all on leases, and again depending on the rates because things do change. But again, in most cases we would have all those trucks on lease just like the county does here. It's easy to budget if you know what it's going to be and at the end of the year I would hope that he would bring us two new trucks. Jamey said, I give you the trucks and we start all over again and that's really the way it will work.

Chairman Hafner said, and just for a little bit more information on what we've spent on repairs in the residential department. In 2017, it was almost \$194,000. In 2018, it was almost \$280,000. For this year, it's been a little under \$200,000. Councilmember McClain asked, that's just on maintenance? Chairman Hafner said, yes. Mayor Perrin said, Chairman Hafner has given you whole totals on the whole fleet, it's not on just those two trucks. Councilman McClain said, okay. Mayor Perrin said, some of these trucks are ten years old and some are eight years old. When I went back to look at some of the dates I didn't know they were that old. These trucks stop and start like this all the time. I don't know what you're going to say what the life expectancy is on these trucks are. I'm going to say two years, four years max in my opinion. You need to be rotating these things. Chairman Hafner said, a lot of it goes back to the maintenance. Mayor Perrin said, yes. Jamey McCoy said, you touched on it a few minutes ago, it's your down time. Mayor Perrin said, the down time will kill you. I've called over to the maintenance shop and said where's the truck at? Well, it's in the shop either down in Little Rock or over at Memphis for 30 days. Why isn't it back? That's my problem. We can go out there and check on that truck every day. Councilmember Street said, any more, our routes are a day behind and then if you have a holiday or something, it complicates it and gets more behind. Mayor Perrin said, exactly, we are a big city and we have to cover 82-square miles. Chairman Hafner said, probably just because the business I've been in a lot of my life, if you want to make people mad either mess their paycheck or don't pick their garbage up on time.

Councilmember McClain said, last question Mr. Chairman if I may? There is a balloon payment that will be due on month 25? Did you say we had the option to purchase or they come and buy it back? Chairman Hafner said, we have the option to purchase or they come and buy it back at the guaranteed amount. Jamey McCoy said, so basically, what we do if you decide to stay on the 24-month closed lease, what we do at month 24 is we would wire transfer the full amount to Mr. Joey Parker at U.S. Bank for that balloon amount. Then, we would deliver you more trucks and you would keep making payments. Councilmember McClain said, so basically what you're saying is we are just going to extend on month 25? Chairman Hafner said, but with new trucks. Mayor Perrin said, yes with new trucks. Councilmember McClain said, okay. Councilmember Street, said and with little to no maintenance cost. Remember when we were doing those with the dumps and we were doing the lease back Mayor? We didn't spend a penny and we never had a single down time. Mayor Perrin said, yes. I told him we had dealt with Bank of America before. Councilmember Street said, plus we actually made money on some of them. We used it all year long and never had a down day.

Mayor Perrin said, I really appreciate all these gentlemen coming each one of them represent a partnership that we are all in together. That is U.S. Bank and TriState Truck Center. We really want to do this. We are only going to be out 3-months on this resolution and that's the total you will be out on the lease is from the time we get them delivered. Jamey McCoy said, actually we could deliver the truck by the end of the week. Chairman Hafner said, let's make sure the council approves it first. Jamey

McCoy said, we could deliver the knuckle boom by the end of next week, within two weeks we could have the trucks in. Mayor Perrin said, yes. All I'm saying is they are in stock. Chairman Hafner said, Mayor is this the one you would like City Attorney Carol Duncan to review? Mayor Perrin said, yes. Ms. Duncan is not here today. If could make a motion to approve, subject to Ms. Duncan's review of the lease documentation, then it could be approved to move forward on to the City Council. Councilmember John Street motioned, seconded by Chairman Joe Hafner, to amend and recommend to forward to full council subject to the City Attorney's review. 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: 4 - Ann Williams;John Street;David McClain and LJ Bryant

Absent: 1 - Charles Coleman

5. Pending Items

6. Other Business

[RES-19:127](#)

RESOLUTION AUTHORIZING THE CITY OF JONESBORO, ARKANSAS, TO ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF HOMELAND SECURITY AND ACCEPT THE FY2018 FIRE PREVENTION AND SAFETY GRANT

Attachments: [EMW-2018-FP-00068 - Award Package.pdf](#)

Chairman Joe Hafner motioned, seconded by Councilmember John Street to suspend the rules and walk-on the Homeland Security grant. All voted aye.

Mayor Perrin said, just one comment, it's been a long time, or maybe the first time that we've ever gotten this grant. We've tried and tried, we are very pleased on this grant.

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: 4 - Ann Williams;John Street;David McClain and LJ Bryant

Absent: 1 - Charles Coleman

Chairman Hafner said, any other comments or questions regarding other business? Mayor Perrin said, just one other comment. At the Highway Commission meeting last week, the City was awarded the TAP Grant of \$316,000. That will take care of the sidewalks from Redwolf to University Heights School, and the round-about brought the sidewalks up to the school. So, in reality you can walk all the way to Airport Road and if you live in that area you can almost walk to a ballgame. In talking with Ms. Tutor there is almost twice as many applicants for the TAP Grant then used to be. People are learning about these TAP Grants and they are a good thing to have no questions about that. We are going to find, and face the same thing with the Parks and Tourism Grants. We are waiting on two of those grants. One for \$150,000 for greenspace and the other one we are waiting on is a Federal Grant. All I say to you is the competition is

getting tuff. More people are applying, we have to do a good job in those Grant's or you're just not going to get them. Councilmember McClain said, say that one more time, the sidewalks will go all the way from Redwolf to University Heights? On which side of the road, north our south? Mayor Perrin said, The Chief Engineer, Craig Light is not here today. I think it's going to be on the north side. Councilmember McClain said, I remember us talking about a trail but you said sidewalks. Mayor Perrin said, I'm trying to think of the width of it. I can't remember if it's ten or 8. Danny Kapales, Parks Director said, the intension are to have bike and pedestrian lanes, but designs have not came in yet. It might end up being a sidewalk with a bike lane next to the road. Either way, it's going to be for bikers and pedestrians to use. It is going to get us to University Heights. Until we get in to see what properties we can use, it may have to go the south side of the road. Councilmember McClain said thank you. Mayor Perrin said, and I hope it's wide in the fact that we are doing the overpass on Airport Road and that's a State Highway. I would anticipate that somewhere down the line you are going to be looking at a request for a three lane road that will connect Highway 49.

7. Public Comments

8. Adjournment

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

Aye: 4 - Ann Williams;John Street;David McClain and LJ Bryant

Absent: 1 - Charles Coleman