



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes City Council

Tuesday, June 27, 2017

5:30 PM

Municipal Center

Special Called Meeting

1. CALL TO ORDER BY MAYOR PERRIN AT 5:30 P.M.

2. ROLL CALL BY CITY CLERK DONNA JACKSON

Present 10 - Darrel Dover; Ann Williams; Charles Frierson; John Street; Gene Vance; Chris Gibson; Charles Coleman; Bobby Long; Joe Hafner and David McClain

Absent 2 - Chris Moore and Mitch Johnson

3. NEW BUSINESS

Mayor Perrin said there are two items on tonight's agenda, an ordinance and a resolution pertaining to the IT Department in regards to Microsoft software. Many of you probably all read the news release. I am going to try to hit some highlights there. City Attorney Carol Duncan, Information Technology Director Jason Ratliff, Chief Financial Officer Suzanne Allen and I will be happy to entertain any questions that you have. Back in 2008, the IT Department got a copy of Microsoft Professional and installed that on our computers in the City of Jonesboro. In 2016, the IT Department purchased 450 licenses for 2016 Microsoft Standard, not Professional licenses. In April of 2017, IT Director Jason Ratliff made contact with SHI. SHI is a reseller for Microsoft products. When he did that and while discussing purchasing two more products, he was introduced to the Microsoft representative which Mr. Ratliff got a hold of. At that time, he offered Mr. Ratliff a free program which runs your system to see what you have within the City. That is when they came up with the City of Jonesboro had the Professional software on several of the computers that the licensing had not been paid for. You have something on your computer, but that is not what you bought. We did our conversion or upgrade in 2016 in the amount of \$111,000. It was brought to my attention by CFO Suzanne Allen after Mr. Ratliff had spoken with Microsoft. Ms. Duncan, Ms. Allen, Mr. Ratliff, and myself got together and talked about it. The penalty for that is pretty high. It could go up as high as \$250,000 per computer. What we worked out with them was a credit for the Standard Microsoft software and an upgrade to the new Professional licenses which was going to be somewhere around \$239,000. With the credit of \$111,000, there left a balance of \$127,686. We were very fortunate to get this worked out. I commend Mr. Ratliff for finding the error. The reason we are doing it now is that Microsoft's year end is June 30, 2017. That information was in the press release as well as the note and that is why it is an emergency clause. We have to get it done before June 30, 2017.

Councilman Dover asked about the test that was done. Are we using all of our

computers or do we have extra computers we may get rid of? Mayor Perrin said that Mr. Ratliff has checked into the ipads and some other things and have found that there is about 20-30 that have not been used at all in the last three months. He is now contacting everyone on that list to find out why they are not being used and to see if they are going to be using them. If they are not going to be using them, they need to turn them back in. City Attorney Carol Duncan said that is different. CFO Suzanne Allen said that was a different issue. Councilman Dover asked if this had anything to do with this licensing. Mayor Perrin and Ms. Duncan said no. Mayor Perrin said that was a different issue. Ms. Duncan said that she thinks we are using the 450 computers which the licensing is for. Mayor Perrin stated that every license we have, we are using. Councilman Dover said he wanted to make sure what we are licensing is what we are using and not extra. Mayor Perrin said that was correct. There will be some upgrades with the new one we have. We will have to get with our people and do some more training on that because we are going to upgrade from what we got last year. There will be more benefits and features you can use with this software upgrade.

Councilman Vance asked how many computers had the Professional software on them. Ms. Duncan said she didn't know if Mr. Ratliff had the exact number, but we think it was approximately 200 or somewhere in that range. Councilman Hafner asked how many computers didn't have the right license on them. Ms. Duncan said approximately 200 had the software without the license. Mr. Ratliff said that we were missing approximately 244 licenses and we have about 450 computers.

Mayor Perrin said someone asked him how do we prevent this from happening again. Mr. Ratliff will be working with the reseller and meeting on a quarterly basis. In the agreement, I wanted them to put it in on a quarterly basis that the reseller of Microsoft would be working with Mr. Ratliff and simply talking about things, talking about licensing, and the whole deal.

Information Technology Director Jason Ratliff said that we now have an agreement with the third-party reseller SHI that every quarter we will have a meeting on our licensing agreement. Councilman Street said he was glad that Mr. Ratliff caught that. Councilman Long asked if we at one point bought a copy of Microsoft Professional and then it ended up on 200 computers. Ms. Duncan said we bought several she thinks. Mr. Ratliff said there was one disc bought back in 2008 that was loaded on several computers that we didn't have the license for. Mayor Perrin said we are fixing about three things at one time. Ms. Duncan said that is where that penalty comes in.

Mayor Perrin said what you have in front of you today is an ordinance to amend the general fund and go ahead and purchase the \$127,686 to get everything updated. Mr. Ratliff will be visiting with them quarterly and will see how many we need on Standard and how many we need on Professional and who is using what. Councilman Long asked if we were upgrading to the latest version of Professional. Ms. Duncan said it was 2016. Mr. Ratliff said 2016 is the latest version. He said it comes out every three years.

ORD-17:049

AN ORDINANCE AUTHORIZING THE CITY OF JONESBORO TO AMEND THE 2017 GENERAL FUND TO ADD \$127,686 TO UPGRADE ALL 2016 OFFICE STANDARD LICENSE TO PROFESSIONAL LICENSE

Councilman Street motioned, seconded by Councilman Vance, to suspend the rules and offer by title only. All voted aye.

Councilman Street motioned, seconded by Councilman Frierson, to suspend the rules and waive the second and third readings. All voted aye.

Councilman Street motioned, seconded by Councilwoman Williams, to adopt the emergency clause. All voted aye.

Councilman Hafner asked if they needed to say the reason for the emergency clause. City Attorney Carol Duncan said she thought they had already said it. Microsoft said they would give us a deal. We just don't get the credit of \$111,000. They have to do that in their fiscal year. Councilman Vance and Ms. Duncan said that is an emergency.

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

Aye: 10 - Darrel Dover; Ann Williams; Charles Frierson; John Street; Gene Vance; Chris Gibson; Charles Coleman; Bobby Long; Joe Hafner and David McClain

Absent: 2 - Chris Moore and Mitch Johnson

RES-17:094

A RESOLUTION BY THE CITY OF JONESBORO TO AUTHORIZE THE MAYOR AND CITY CLERK TO ENTER INTO AN AMENDMENT WITH MICROSOFT TO REPLACE 450 STANDARD 2016 LICENSES WITH 450 OFFICE PROFESSIONAL PLUS 2016 LICENSE

Chief Financial Officer Suzanne Allen said we have to sign this today. They are waiting on us. Microsoft has people staying over because they want this uploaded tonight. Can you Mayor Perrin and City Clerk Donna Jackson sign it tonight? City Attorney Carol Duncan said that resolutions take effect immediately. Mayor Perrin asked Ms. Allen if she physically needed it tonight. Ms. Allen said yes. She said that IT Director Jason Ratliff needs to get it down to his computer, scanned in, and uploaded to them.

Councilman Long asked if it mattered if the ordinance says license to Professional license and the resolution says license to Office Professional Plus. Is there a difference between Office Professional and Office Professional Plus? Ms. Duncan said she thought that was the same thing.

City Clerk Donna Jackson stated that she would have to get that to them in the morning. Councilman Frierson asked the reason why they couldn't have it done tonight. Mayor Perrin said he would yield to the Clerk. He said if you want it signed, he will sign it tonight. City Clerk Donna Jackson said it was a matter of getting the proper enactment with the Legistar software. Councilman Frierson said no, you need to sign it tonight according to what is required of us. Ms. Jackson asked why it had to be tonight. Councilman Frierson said Ms. Allen just explained that. Ms. Jackson said it would have been nice to have known that. She said no it doesn't have to be signed tonight. It can go out first thing in the morning. Ms. Allen said that Microsoft told Mr. Ratliff to get it to them tonight. They are waiting on him to get it to them. Ms. Jackson said she would have liked to have known that. Ms. Allen said we didn't know that. Councilman Frierson said if you won't sign it, we will have someone else appointed. Ms. Jackson said that she was not going to argue with Councilman Frierson. She said she deserves to know that ahead of time as well as anyone else. Councilman Frierson said he knew about it this morning. Ms. Jackson said maybe Councilman Frierson knew, but the clerk did not know. She said you are not the one signing. Mayor Perrin asked if they were going to sign it or not.

Councilman Coleman asked if the mail software on the ipads was up-to-date. Mr. Ratliff said that the email software is up-to-date. It doesn't have a Microsoft Office product on it.

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

Aye: 10 - Darrel Dover;Ann Williams;Charles Frierson;John Street;Gene Vance;Chris Gibson;Charles Coleman;Bobby Long;Joe Hafner and David McClain

Absent: 2 - Chris Moore and Mitch Johnson

4. ADJOURNMENT

A motion was made by Councilman Joe Hafner, seconded by Councilman Chris Gibson, that this meeting be Adjourned . The motion PASSED with the following vote.

Aye: 10 - Darrel Dover;Ann Williams;Charles Frierson;John Street;Gene Vance;Chris Gibson;Charles Coleman;Bobby Long;Joe Hafner and David McClain

Absent: 2 - Chris Moore and Mitch Johnson

_____ **Date:** _____

Harold Perrin, Mayor

Attest:

_____ **Date:** _____

Donna Jackson, City Clerk