

TITLE 3

FISCAL AFFAIRS

Chapters:

- 3.04 Purchases
- 3.08 Aldermen Doing Business with City
- 3.12 Professional Services
- 3.16 Sales and Use Taxes
- 3.20 Electronic funds

CHAPTER 3.04

PURCHASES

Sections:

- 3.04.01 Purchases made by the City
- 3.04.02 Competitive bidding
- 3.04.03 Small purchases
- 3.04.04 Disposal of personal property
- 3.04.05 Waive Competitive Bidding

3.04.01 Purchases made by the City pursuant to state law.

- (a) Purchases and contracts generally. In accordance with Ark Code Ann. §14-58-303, the Mayor or the Mayor's duly authorized representative shall have exclusive power and responsibility to make purchases of all supplies, apparatus, equipment, materials, and other things requisite for public purposes in and for the city and to make all necessary contracts for work or labor to be done or material or other necessary things to be furnished for the benefit of the city, or in carrying out any work or undertaking of a public nature in the city.
- (b) Purchases and contracts which exceed \$10,000, but do not exceed \$20,000. In accordance with Ark Code Ann. §14-58-303, where the amount or expenditure for any purpose or contract exceeds the sum of ten thousand dollars (\$10,000), but does not exceed the sum of twenty thousand dollars (\$20,000), the City Council of the City of Pocahontas shall retain the authority to make such expenditures or to enter into such contracts without competitive bidding or advertisement, using their judgment to obtain the best value for the City of Pocahontas.

- (c) Purchases and contracts which exceed \$20,000. In accordance with Ark Code Ann. § 14-58-303, where the amount or expenditure for any purpose or contract exceeds the sum of twenty thousand dollars (\$20,000), the Mayor or the Mayor's authorized representative shall invite competitive bidding on the purpose or contract by:
- (1) legal advertisement in any local newspaper or
 - (2) participation in a reverse internet auction. (Ord. No. 2015-03, Sec. 1.)

Bids received pursuant to said advertisement shall be opened and read on the date set for receiving said bids, in the presence of the Mayor, or his duly authorized representative. Pursuant to Ark. Code. Ann.§ 14-58-105, a percentage preference of five percent (5%) shall be granted to the lowest qualified bid from a firm resident of the City of Pocahontas, using the procedure contained in Ark. Code Ann.§ 14-58-105(b). (Ord. 2016-04, Sec. 1)

3.04.02 Competitive bidding The City Council proclaims that the Mayor shall have the power and responsibility to make purchases as defined above without the need or requirement of competitive bidding for any expenditure which does not exceed the sum of Ten Thousand Dollars (\$10,000.00). (Ord. No. 97-6, Sec. 2.)

3.04.03 Small purchases Pursuant to A.C.A. 14-58-306, no supplies, material or equipment shall be sold without receiving competitive bids thereof, provided, however, if the Mayor shall certify in writing to the City Council that, in the Mayor's opinion, the fair market value of such item or lot (to be disposed of in one unit) is less than Two Thousand Five Hundred Dollars (\$2,500.00), the same may be sold by the Mayor without competitive bidding. (Ord. No. 2010-2, Sec. 1.)

3.04.04 Disposal of personal property

- A. If an item of personal property belonging to the city of Pocahontas becomes obsolete or is no longer used by the city or one of its department, it may be:
1. Sold at public auction;
 2. Sent to the Marketing and Redistribution Section of the Office of State Procurement of the Department of Finance and Administration; or
 3. Transferred to another governmental entity within the state.
- B. If an item is not disposed of under Section (A), the item may be disposed of in the landfill used by the city of Pocahontas if the Mayor or his or her authorized representative certifies in writing and City Council approves that it has:
1. Been rendered worthless by damage or prolonged use; or
 2. a. Only residual value; and
 - b. Been through public auction and not sold. (Ord. No. 2010-2, Sec. 2-3.)

3.04.05 Waive Competitive Bidding The City Council for the City of Pocahontas authorizes the Mayor, and any other necessary officials, to execute an agreement in substantially the form as that attached as Exhibit "A" to this ordinance, with the Randolph County Chamber of Commerce to provide economic development and advertising services for the City of Pocahontas. (Ord. No. 2015-02, Sec. 1)

Because of the unique nature of the Randolph County Chamber of Commerce, as it is operated in conjunction with Randolph County, the City finds that it is impractical and unfeasible to purchase some services through formal competitive bidding and, therefore, waives the requirement of such bidding. (Ord. No. 2015-02, Sec. 2)

A. Five Rivers Medical Center

1. The City Council for the City of Pocahontas authorizes the Mayor, and any other necessary officials, to execute an agreement in substantially the form as that attached as Exhibit "A" to this ordinance, with the Five Rivers Medical Center to provide medical services for the City of Pocahontas and to provide upkeep and maintenance services of the hospital buildings owned by the City of Pocahontas. (Ord. No. 2019-06, Sec. 2)
2. Because of the unique professional services offered by the Five Rivers Medical Center, the City finds that it is impractical and unfeasible to purchase the same or equivalent services through formal competitive bidding and, therefore, waives the requirement of such bidding. (Ord. No. 2019-06, Sec. 3)
3. Term. The term of this Agreement shall be from January 1, 2019 to midnight, December 31, 2019, provided that if any work or activities have been undertaken by the FRMC prior to the formal execution date of this Agreement, then these matters are formally ratified by the City and appropriate payment shall be forthcoming. (Ord. No. 2019-06, Sec. 4)

B. Randolph County Tourism

1. The City Council for the City of Pocahontas authorizes the Mayor, and any other necessary officials, to execute an agreement in substantially the form as that attached as Exhibit "A" to this ordinance, with the Randolph County Chamber of Commerce to provide economic development and advertising services for the City of Pocahontas. (Ord. No. 2019-02, Sec. 1)
2. Because of the unique nature of the Randolph County Chamber of Commerce, as it is operated in conjunction with Randolph County, the City finds that it is impractical and unfeasible to purchase some services through formal competitive bidding and, therefore, waives the requirement of such bidding. (Ord. No. 2019-02, Sec. 2)

3. Term. The term of this Agreement shall be from January 1, 2019 to midnight, December 31, 2019, provided that if any work or activities have been undertaken by the Chamber prior to the formal execution date of this Agreement, then these matters are formally ratified by the City and appropriate payment shall be forthcoming. (Ord. No. 2019-02, Sec. 3)

C. WHEREAS, the City of Pocahontas has experienced record flooding which has resulted in extensive damage to the following buildings/properties:

| | | |
|-----|--------------------------------------|--------------------------|
| 1. | Archer building | 1313 Razorback Lane |
| 2. | Airport/Fire station/Hander | 2006 & 2010 Airways Lane |
| 3. | City Shop | 605 Cedar |
| 4. | City Sheds | 605 Cedar |
| 5. | Concession building- Ball Park | Pace Road |
| 6. | Head Start | 1407 Patrick Drive |
| 7. | Concession stand w/bathroom | Pace Road |
| 8. | Concession stand w/bathroom | Pace Road |
| 9. | Ball field lights | Pace Road |
| 10. | T Hangers/BiFold/Storage | 1307 Razorback |
| 11. | Clear Span Hanger/Bifold | 1400 Razorback |
| 12. | Senior Wellness Comm Ctr | 1505 Airport Road |
| 13. | Machine Shop Building | 1806 Airport Road |
| 14. | Kevin Late Hanger | 2002 Airway |
| 15. | River Front Park | Dickson St. |
| 16. | Sport Complex Play areas/Parking Lot | Pace Road |
| 17. | Overlook Park | Hwy 67 |

1. That the City of Pocahontas finds that competitive bidding should be waived since this is an exceptional situation and it is not feasible or practical to procure bids for the repair of the aforementioned buildings. (Ord. No. 2017-08, Sec. 1)
2. That the City Council authorizes the mayor to enter into agreements as necessary to repair the aforementioned buildings and structures. (Ord. No. 2017-08, Sec. 2)

D. That the City of Pocahontas finds that competitive bidding should be waived since this is an exceptional situation and it is not feasible or practical to procure bids for the replacement of the existing fuel systems at the Pocahontas Municipal Airport. (Ord. No. 2017-18, Sec. 1)

That the City Council authorizes the mayor to execute all agreements and sign all documents necessary to implement the directives of this ordinance. (Ord. No. 2017-18, Sec. 2)

CHAPTER 3.08

ALDERMEN DOING BUSINESS WITH CITY

Sections:

3.08.01 Conducting business

3.08.01 Conducting business Aldermen, Councilmembers, official or municipal employees may henceforth conduct business with the city without specific Council approval for business which does not amount to a sum of more than One Thousand Five Hundred Dollars (\$1,500.00) annually. For any business which amounts to more than One Thousand Five Hundred Dollars (\$1,500.00) annually, shall be brought before the governing body for specific approval. (Ord. No. 2007-2, Sec. 2)

CHAPTER 3.12

PROFESSIONAL SERVICES

Sections:

3.12.01 Competitive bidding
3.12.02 Definition
3.12.03 Airport Agreement

3.12.01 Competitive bidding Pursuant to A.C.A. 19-11-801(c), the city of Pocahontas elects by a two-thirds (2/3) vote not to use competitive bidding for “other professional services.” (Ord. No. 2007-5, Sec. 1.)

3.12.02 Definition Pursuant to A.C.A. 19-11-801(e)(2), the city of Pocahontas elects by a two-thirds (2/3) vote that “other professional services” shall be defined as any and all organizations that offer hospital management services. (Ord. No. 2007-5, Sec. 2.)

3.12.03 Airport Agreement That the agreement between the Pocahontas Municipal Airport Commission and Kevin Late of Late Aircraft Repair, LLC is hereby acknowledged, adopted, and ratified. (Ord. No. 2018-06, Sec. 1)

That Kevin Late of Late Aircraft Repair, LLC is authorized to do business with the Pocahontas Airport Commission in regard to furnishing grounds keeping and related services as it pertains to the Pocahontas Municipal Airport. (Ord. No. 2018-06, Sec. 2)

CHAPTER 3.16

SALES AND USE TAXES

Sections:

3.16.01 Sales tax

3.16.01 Sales tax

- A. Under the authority of the Authorizing Legislation, there is hereby levied a one percent (1%) tax on the gross receipts from the sale at retail within the city of all items which are subject to the Arkansas Gross Receipts Act of 1941, as amended (A.C.A. 26-52-101, et seq.), and the imposition of an excise (or use) tax on the storage, use, distribution, or other consumption within the city of tangible personal property subject to the Arkansas Compensating Tax Act of 1949, as amended (A.C.A. 26-53-101, et seq.), at a rate of one percent (1%) of the sale price of the property or, in the case of leases or rentals, of the lease or rental price (collectively, the “Sales and Use Tax”). The Sales and Use Tax shall be levied and collected only on the first Two Thousand Five Hundred Dollar (\$2,500.00) for each single transaction. (Ord. No. 2007-3, Sec. 1.)
- B.
1. Under the authority of the Authorizing Legislation, there is hereby levied a one-half percent (.50%) tax on the gross receipts from the sale at retail within the city of all items which are subject to the Arkansas Gross Receipts Act of 1941, as amended (A.C.A. 26-52-101, et seq.), and the imposition of an excise (or use) tax on the storage, use, distribution, or other consumption within the city of tangible personal property subject to the Arkansas Compensating Tax Act of 1949, as amended (A.C.A. 26-53-101, et seq.), at a rate of one-half percent (.50%) of the sale price of the property or, in the case of leases or rentals, of the lease or rental price (collectively, the “Sales and Use Tax”).
 2. The Sales and Use Tax shall be levied, and the net collections received after deduction of the administrative charges of the state of Arkansas and required rebates shall be used for one or more of the following:
 - a. To pay and secure the repayment of bonds approved by the voters and issued by the city from time to time to finance capital improvements, and

- b. To acquire, construct, improve, expand, equip, furnish, operate and maintain new or existing park and recreational facilities.

The Sales and Use Tax shall be levied and collected on the gross receipts, gross proceeds or sales price in the maximum amount allowed from time to time under Arkansas law, subject to rebates and limitations as required for certain single transactions as from time to time required by Arkansas statutes. (Ord. No. 2013-2, Sec. 1.)

CHAPTER 3.20

ELECTRONIC FUNDS

Sections:

3.04.01 Electronic Funs Payment System

3.04.01 Electronic Funs Payment System When conducting city business, the City shall establish an Electronic Funds Payment System through the bank used by the City to pay for the processing fees incurred for credit card use at the Municipal Airport and the Pocahontas Aquatic Center. Funds shall be bank drafted and deposited by the processing company and accounted for in the accounting software of the City Clerk/Treasurer office. (Ord. No. 2018-04, Sec. 1)

Revenue deposits and expenditures for processing fees shall be reflected in bank statements by the bank used by the city and statements from the processing companies employed by the City. These records shall be retained pursuant to the normal course of business of the City. (Ord. No. 2018-04, Sec. 2)