

TITLE 3

FISCAL AFFAIRS

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- 3.08 City Officials Doing Business with the City
- 3.12 Single Transaction
- 3.16 Purchase of Real Estate
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CHAPTER 3.04

PURCHASES

Sections:

- 3.04.01 \$20,000.00 or under
- 3.04.02 Over \$20,000.00
- 3.04.03 Approval of payments
- 3.04.04 Competitive Bidding

3.04.01 \$20,000.00 or under The Mayor or his duly authorized representative shall have the exclusive power and responsibility to make purchases of all supplies, apparatus, equipment, materials and other things requisite for public purposes for the city of Pea Ridge, Arkansas, 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 where the amount of the expenditure for any such purpose or contract does not exceed the sum of \$20,000.00. (Ord. No. 652, Sec. 1)

3.04.02 Over \$20,000.00 Where the amount of expenditure for any purchase or contract exceeds the sum of \$20,000.00, the Mayor or his duly authorized representative shall invite competitive bids thereon by legal advertisement in any local newspaper. 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. The contract shall be awarded to the lowest responsible bidder; provided, however, the Mayor or his duly authorized representative, may reject any and all bids received. (Ord. No. 652, Sec. 2)

3.04.03 Approval of payments The Mayor, or his duly authorized representative, may approve for payment out of any funds previously appropriated for that purpose, or disapprove any bills, debts or liabilities asserted as claims against the city, when funds on hand are adequate to pay such bills, debts or liabilities. That payment or disapproval of any bills, debts or liabilities not covered by a previous appropriation shall require confirmation of the governing body. (Ord. No. 107, Sec. 3.)

3.04.04 Competitive Bidding The Council has determined that competitive bidding is not feasible or practical and waive the requirements of competitive bidding for the following:

- The Mayor is authorized to execute any and all documents and take the necessary actions to make the Motorola Purchase in the amount of \$107,937.80. (Ord. No. 662, Sec. 2)
- Director Ken Hayes or the Mayor is authorized to execute any and all documents and take the necessary actions to purchase a used dump truck in the amount of \$35,000 or less. (Ord. No. 677, Sec. 2)
- Director Ken Hayes is authorized to execute any and all documents and take the necessary actions to purchase a replacement camera in the amount of \$25,000 or less. (Ord. No. 692, Sec. 2)
- The Mayor is authorized to execute any and all documents and take the necessary actions to purchase the Mako EA06H Compressor in the amount of \$34,500, with the use of the \$20,000 donation. (Ord. No. 659, sec. 2)
- That Mayor Crabtree and City Clerk Button are authorized to execute any and all documents and take the necessary actions to retain the services of MCE to design and manage the construction of the Sludge Plan project.

That Director Ken Hayes is authorized to purchase all construction materials and equipment, as specified by MCE, from any and all necessary suppliers, including IS, to be erected and installed at the WWTP to execute the Sludge Plan, pending project approval by the State of Arkansas, in an amount not to exceed the projected total project cost of \$819,224. (Ord. No. 705, Secs. 3 & 4)

- The City Council, in consideration that Stryker is the sole provider of the equipment, and the city's immediate need to upgrade its equipment, finds that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for the purchase of a MTS Power Load system in the amount of \$24,320.70. (Ord. No. 711, Sec. 3)

- Superintendent Nathan See or the Mayor is authorized to execute any and all documents and take necessary actions to contract the repair of the bridge in the amount of \$120,000 or less (Ord. No. 733, Sec. 2)
- Superintendent Nathan See or the Mayor is authorized to execute any and all documents and take the necessary actions to contract the repair of the Peck Road Bridge in the amount of 150,000 or less. (Ord. No. 736, Sec. 3)
- Pea Ridge is experiencing rapid, sustained growth. The US Census population count totaled 4,794 in 2010 and 6,559 in 2020. Well over 1,000 lots are in various stages of approval and development within the city, and recently, approximately forty (40) certificates of occupancy have been issued per month. New housing developments are expanding municipal boundaries in multiple directions at the same time north, east and west of town on Highways 72 and 94. The multidirectional expansion is creating financial impacts on the PRWD infrastructure, including the conveyance, pumping, etc. that is required to serve the newly, expanded areas. For example, the Easterling Pump Station needs immediate capacity upgrades to handle the continued growth that are expected to cost in excess of \$700,000. (Ord. No. 757, Sec. 1)

The City of Pea Ridge finds that a utility impact fee study is immediately needed. (Ord. No. 757, Sec. 2)

The City council finds that exceptional circumstances exist, and for time sensitive reasons, among others, competitive bidding is not feasible or practical. Therefore, the City Council waives the requirements of competitive bidding for the purposes of retaining a firm to conduct a utility impact fee study. (Ord. No. 757, Sec. 3)

Mayor Crabtree, City Clerk Button, and Director Ken Hayes are authorized to execute any and all documents and take the necessary actions to retain the firm of Tischler Bise to conduct the utility impact fee study, as proposed, for the quoted amount of \$24,800. (Ord. No. 757, Sec. 4)

- The purchase of RRFB Systems Equipment will be approximately \$32,005.00. A copy of this estimate is attached to this ordinance. (Ord. No. 767, Sec. 1)

The Mayor is hereby authorized to execute any and all documents and take such action deemed necessary to consummate the purchase of RRFB Systems Equipment in the amount of \$32,005.00. (Ord. No. 767, Sec. 2)

The City Council hereby finds that exceptional circumstances exist, and that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for the purchase of RRFB Systems Equipment in the amount of \$32,005.00. (Ord. No. 767, Sec. 3)

- The purchase price of the 2022 Dodge Durango SXT AWD, with all included taxes, fees, and charges is \$38,545.00 (“the 2022 Dodge Purchase”). Copies of the purchase documents are attached to this ordinance. (Ord. No. 783, Sec. 1)

The Mayor is authorized to execute any and all documents and take the necessary actions to make the 2022 Dodge Purchase in the amount of \$38,545.00. (Ord. No. 783, Sec. 2)

The City Council finds that exceptional circumstances exist, and that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for the 2022 Dodge Purchase in the amount of \$38,545.00. (Ord. No. 783, Sec. 3)

- The purchase price of the 2019 grader, with all included taxes, fees, and charges is \$245,500 (“the Grader Purchase”). Copies of the purchase documents are attached to this ordinance. (Ord. No. 784, Sec. 1)

The Mayor is authorized to execute any and all documents and take the necessary actions to make the Grader Purchase in the amount of \$245,500. (Ord. No. 784, Sec. 2)

The Mayor is authorized to execute any and all documents and take the necessary actions to secure the \$245,000 Arvest loan to finance the Grader Purchase pursuant to the terms outlined, supra, and to incorporate any necessary fees associated with the loan into the loan principal. (Ord. No. 784, Sec. 3)

The City Council finds that exceptional circumstances exist, and that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for the Grader Purchase in the amount of \$245,500. (Ord. No. 784, Sec. 4)

- The purchase price and “upfitting” of each of the four, police pursuit-vehicles is as follows:
 - Fleet 2023 Dodge Durango WDEE75 Pursuit AWD
 - Price (Base \$41,415 + Options \$830 – Discount \$5,740) \$38,100.00
 - Upfitting \$10,247.42
 - Total \$48,347.42

Copies of the purchase documents are attached to this ordinance. (Ord. No. 785, Sec. 1)

The total purchase price of the four (4), “upfitted” units is \$193,389.68 (\$48,347.42 multiplied by four units). (Ord. No. 785, Sec. 2)

The Mayor and City Clerk-Treasurer are authorized to execute any and all documents and take the necessary actions to make the purchase of the four (4), “upfitted” police vehicles described in Sections 1 and 2, supra, in the amount of \$193,389.68. (Ord. No. 785, Sec. 3)

The City Council finds that exceptional circumstances exist, and that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for purchasing four (4), “upfitted” police units in the amount of \$193,389.68. (Ord. No. 785, Sec. 4)

- The purchase price of a used, heavy duty, flat-bed truck to be identified and sourced by Director Ken Hayes will be approximately \$60,000.00 or less. (Ord. No. 786, Sec. 1)

Director Ken Hayes or the Mayor is authorized to execute any and all documents and take the necessary actions to purchase a used, heavy duty, flat-bed truck in the amount of \$60,000.00 or less. (Ord. No. 786, Sec. 2)

The City Council finds that exceptional circumstances exist, and that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for the purchase of a used, heavy duty, flat-bed truck in the amount of \$60,000.00. (Ord. No. 786, Sec. 3)

- The above WHEREAS clauses are incorporated herein by reference. (Ord. No. 798, Sec. 1)

The purchase price of the software and annual fee is as follows:

	Up-Front	Monthly	Annual
- Utility Billing Solution	\$34,625		\$4,125
- IT Services	<u>\$ 7,412</u>		<u> </u>
- TOTALS	<u>\$42,037</u>		<u>\$4,125</u>

Copies of the purchase documents are attached to this ordinance. (Ord. No. 798, Sec. 2)

The total purchase price is \$46,162. (Ord. No. 798, Sec. 3)

The Mayor, Ken Hayes, and City Clerk-Treasurer are authorized to execute any and all documents and take the necessary actions to make the purchases described in Section 2, supra, in the amount of \$46,162. (Ord. No. 798, Sec. 4)

The City Council finds that exceptional circumstances exist, and that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for purchasing the billing solution and IT services for PRUD in the amount of \$46,162. (Ord. No. 798, Sec. 5)

- The above WHEREAS clauses are incorporated herein by reference. (Ord. No. 805, Sec. 1)

The purchase price of the crosswalk beacons, markings, and other equipment is \$35,037. (Ord. No. 805, Sec. 2)

The City Council finds that exceptional circumstances exist, and that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for the purchase of the crosswalk improvements from Time Striping for \$35,037. (Ord. No. 805, Sec. 3)

The Mayor is authorized to execute any and all documents and take the necessary actions to make the \$35,037 purchase from Time Striping, Inc. (Ord. No. 805, Sec. 4)

- The above whereas clauses are adopted by reference as if fully set forth herein. (Ord. No. 813, Sec. 1)

The purchase price of the extrication equipment is \$42,724.50. (Ord. No. 813, Sec. 2)

The Mayor, City Clerk-Treasurer, and Fire Chief are authorized to execute all documents and take the necessary actions to purchase the Genesis extrication equipment in the amount of \$42,724.50. (Ord. No. 813, Sec. 3)

The City Council, in consideration of the unforeseen, emergent need to upgrade its extrication equipment, finds that exceptional circumstances exist, and that competitive bidding is not feasible or practical and therefore, waives the requirements of competitive bidding for the purchase of Genesis extrication equipment in the amount of \$42,724.50. (Ord. No. 813, Sec. 4)

CHAPTER 3.08

CITY OFFICIALS DOING BUSINESS WITH THE CITY

Sections:

- 3.08.01 Conditions
- 3.08.02 Authorizations

3.08.01 Conditions The Mayor, Aldermen officials and municipal employees may conduct business with the city as authorized by A.C.A. Sec. 14-42-107 (b) under the following conditions:

- 3. The purchase is under \$10,000.00 and comparable merchandise or equipment at comparable prices is not otherwise available; and
- B. The cost of the service is under \$10,000.00 and comparable service at comparable prices is not otherwise available. (Ord. No. 487, Sec. 1.)

3.08.02 Authorizations

- 1. Pursuant to Arkansas Code Annotated section 14-42-107, as amended, Sandy Button, City Clerk Treasurer, is hereby authorized to hold employment with the City of Pea Ridge as Chief Court Clerk, which includes the responsibilities of office manager. Sandy Button shall be paid no more than seven thousand dollars (\$7,000.00) per month in consideration for said employment. Upon passage of this Ordinance, Ordinance Number 623 shall become null and void. (Ord. No. 780, Secs. 1 & 2)

CHAPTER 3.12

SINGLE TRANSACTION

Sections:

- 3.12.01 Definition

3.12.01 Definition The term “single transaction” for the purposes of the local sales tax, shall be defined according to the nature of the goods purchased, as follows:

24.1.5

- A. When two or more devices in which, upon which or by which any person or property is, or may be, transported or drawn, including but not limited to on-road vehicles, whether required to be licensed or not, off-road vehicles, farm vehicles, airplanes, water vessels, motor vehicles, or non-motorized vehicles, and mobile

homes, or sold to a person by a seller, each individual unit, whether part of a “fleet” sale or not, shall be treated as a single transaction for the purpose of the local sales tax.

3. The charges for utility services, which are subject to the taxes levied under this ordinance, and which are furnished on a continuous service basis, whether such services are paid daily, weekly, monthly or annually, for the purposes of the local sales tax, shall be computed in daily increments, and each such daily charge increment shall be considered to be a single transaction for the purposes of the local sales tax.
3. For sales of building materials and supplies to contractors, builders or other persons, a single transaction, for the purposes of the local sales tax, shall be deemed to be any single sale which is reflected on a single invoice, receipt or statement, on which an aggregate sales (or use) tax figure has been reported and remitted to the state.
- D. When two or more items of major household appliances, commercial appliances, major equipment and machinery are sold, each individual unit shall be treated as a single transaction for the purposes of the local sales tax.
- E. For groceries, drug items, dry goods and other tangible personal property and/or services not otherwise expressly covered in this section, a single transaction shall be deemed to be any single sale which is reflected on a single invoice, receipt or statement, on which an aggregate sales tax figure has been reported and remitted to the state. (Ord. No. 123, Sec. 1.)

CHAPTER 3.16

PURCHASE OF REAL ESTATE

Sections:

3.16.01 Purchase of real estate

3.16.01 Purchase of real estate

- A. Except as hereinafter provided, no purchase of real estate, with or without improvements, shall be made by the City Council until an appraisal of said property is made by a licensed appraiser.

- B. It is not the intent of this ordinance to establish the price to be paid for a tract of real estate by requiring that the real estate be appraised, but rather to be used as an aid and guide by the City Council in arriving at a fair and just price to pay for the real estate.
- C. The requirements of this ordinance may be waived by the City Council in cases of emergency or in cases where the City Council finds it impractical to comply herewith. (Ord. No. 178, Secs. 1-2.)

CHAPTER 3.18

SALES & USE TAX

Sections:

- 3.18.01 Authority
- 3.18.02 Administration
- 3.18.03 Notice

3.18.01 Authority Under the authority of the Authorizing Legislation, there is hereby levied a new 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 a new 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 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 from time to time required by Arkansas statutes for certain single transactions. (Ord. No. 707, Sec. 1)

3.18.02 Administration 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 will be used first, as needed, to pay and secure the repayment of bonds approved by the voters and issued from time to time to finance capital improvements with the balance to be used (a) for the police department; (b) for the fire department; (c) for the street department and (d) for the parks department. The levy of the Sales and Use Tax is not dependent on any bonds being approved or issued.

3.18.03 Notice Following adoption, this Ordinance shall be posted in the following five public places in the City: City Hall, Water Department, Library, Equity Bank and Arvest Bank. (Ord. No. 707, Secs. 1,2 & 3)

CHAPTER 3.20

BONDS ISSUED

Sections:

3.20.01 Bonds issued by reference

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- Ord. No. 465 Water and Sewer Revenue Bond, Series 2008
- Ord. No. 474 Water and Sewer Revenue Bond
- Ord. No. 589 Water and Sewer Refunding Revenue Bond, Series 2016
- Ord. No. 682 Amending Ord. No. 610, Water and Sewer Revenue Bond
- Ord. No. 683 Amending Ord. No. 625, Water and Sewer Revenue Bond
- Ord. No. 726 Water & Sewer Refunding Revenue Bonds
- Ord. No. 746 Sales & Use Tax Bonds for financing of Capital Improvements

CHAPTER 3.24

PROMISSORY NOTE ISSUED

Sections:

3.24.01 Promissory note issued by reference

3.24.01 Promissory note issued by reference

- Ord. No. 466
- Ord. No. 581
- Ord. No. 582 amending Ord. No. 581
- Ord. No. 585