

**AN ORDINANCE TO ESTABLISH PROCEDURES
WHEREBY CITY COUNCIL MEMBERS MAY BE PERMITTED
TO CONDUCT BUSINESS WITH THE CITY AND PRESCRIBING
THE EXTENT OF THIS AUTHORITY**

WHEREAS, Ark. Code Ann. § 14-42-107 provides that no alderman or council member shall be interested, directly or indirectly, in the profits of any contract for the furnishing of supplies, equipment or services to a municipality unless the governing body of the city shall have enacted an ordinance specifically permitting alderman or council members to conduct business with the city and prescribing the extent of this authority; and,

WHEREAS, given the size of the City of Goshen, it may be necessary for the City to consider contracts with members of the City Council under certain circumstances; and,

WHEREAS, it is appropriate for the City Council to consider an ordinance establishing the circumstances under which a member of the City Council can be permitted to contract with the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF GOSHEN, ARKANSAS:

SECTION 1. It shall be lawful for any member of the City Council of the City of Goshen to be interested, directly or indirectly, in any contract to purchase made by the City of Goshen if the contract or purchase is for an amount of Five Hundred Dollars (\$500.00) or less. It shall be unlawful for any member of the City Council of the City of Goshen to be interested, directly or indirectly, in any contract to purchase made by the City of Goshen if the contract or purchase is for an amount in excess of Five Hundred Dollars (\$500.00). This prohibition shall not apply to contracts for services or materials which is negotiated through an open competitive bid process, wherein the Mayor or Recorder shall invite competitive bidding thereon by legal advertisement in any local newspaper, and, thereafter, awarded to the lowest bidder. Bids received pursuant to the advertisement shall be opened and read on the date set for receiving the bids in the presence of the Mayor or his duly authorized representative, together with any committee that may be named by the Mayor or the City Council for this purpose. The results of the bid shall be reported to the City Council who may reject any and all bids received, but shall also have the authority and exclusive power to award the bid to the lowest responsible bidder even if that bidder is a member of the City Council, but only if the member of the City Council is the only bidder who resides within the city limits of the City of Goshen. All such contracts must be approved by the City Council. At the meeting where the City Council considers such contract, the council member interested in the contract shall be required to leave the meeting until the discussion and voting on the issue has concluded. Approval by the Council of such contract shall occur after full disclosure of the council member's interest and shall provide the justification for the contract as well as any restrictions or limitations on the contract.

SECTION 2. Although not specifically referenced herein, it is the intent of this ordinance to also comply with any and all other provisions of Arkansas state law with respect to competitive bidding, purchases, and contracts generally.

PASSED AND APPROVED this 13th day of May, 2003.



Andy Bethell, Mayor

ATTEST:



Sharon Baggett, City Recorder

APPROVED AS TO FORM:



Charles Harwell, City Attorney

ROLL CALL

Names Of Those Voting YEA

Joe Benson
Bob Brake
Dean Hull
Chuck Huskey
Dick Seddon

Names Of Those Voting NAY

Absent

Albert Skiles