RESOLUTION NO. 2026-08-1318R

CITY OF TONTITOWN, WASHINGTON COUNTY, ARKANSAS

A RESOLUTION DEFINING PROFESSIONAL AUDITING SERVICES AS "OTHER PROFESSIONAL SERVICES"; AUTHORIZING THE WATER & SEWER DEPARTMENT TO ADVERTISE A REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AUDITING SERVICES; ESTABLISHING THE CITY'S PROCUREMENT PROCESS FOR SUCH SERVICES; AND FOR OTHER PURPOSES.

WHEREAS, Arkansas Code Annotated § 14-234-119 requires qualifying municipal water and sewer systems to obtain an annual financial audit or, when permitted by law, an annual agreed-upon-procedures and compilation report; and

WHEREAS, any accountant retained to perform such services must be licensed and in good standing with the Arkansas State Board of Public Accountancy; and

WHEREAS, professional auditing and related services are professional services but are not among the professional services automatically exempted from competitive bidding under Arkansas Code Annotated § 19-11-801(b); and

WHEREAS, Arkansas Code Annotated § 19-11-801(c) and (e) authorize the City Council, by a two-thirds vote of the governing body, to define auditing and related attest services as "other professional services" and elect not to use competitive bidding for the procurement of those services; and

WHEREAS, the Tontitown City Council finds that auditing services should be procured based initially upon demonstrated competence, independence, qualifications, relevant experience, capacity, and ability to perform the required services, followed by negotiation of a fair and reasonable fee.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TONTITOWN, ARKANSAS:

Section 1. Classification and Election Regarding Professional Services

For purposes of Arkansas Code Annotated § 19-11-801(c) and (e), the City Council hereby defines independent auditing, agreed-upon-procedures, compilation, and related services for the Water & Sewer Department as "other professional services" and elects not to use competitive bidding for the procurement of those services. Adoption of this Section requires the affirmative vote of two-thirds of the governing body.

Section 2. Authorization to Advertise Request for Qualifications

The Water & Sewer Department is authorized to prepare, advertise, and solicit a Request for Qualifications ("RFQ") for the professional services required by the City. The RFQ shall identify the applicable reporting period, scope of services, professional standards, statutory filing

deadlines, licensure and independence requirements, records-access requirements, and the City's right to reject any or all submissions.

Section 3. Evaluation and Ranking of Qualified Firms

Statements of qualifications shall be evaluated based upon demonstrated competence and qualifications, including the factors stated in Arkansas Code Annotated § 19-11-803, relevant experience with Arkansas municipalities and utility systems, professional independence, audit quality and peer-review history, staffing, capacity, and ability to meet required deadlines. Price shall not be the basis for the initial ranking of firms.

Section 4. Negotiation of Scope and Compensation

After the qualified firms have been ranked, the City shall negotiate a detailed written scope of services and a fair and reasonable fee with the highest-ranked firm in accordance with Arkansas Code Annotated § 19-11-805. If satisfactory terms cannot be reached, negotiations with that firm shall be terminated before negotiations begin with the next-ranked qualified firm.

Section 5. City Council Approval of Final Agreement

The recommended firm and final professional-services agreement shall be presented to the City Council for approval by separate resolution. No firm shall begin work, and no City funds shall be committed, until the agreement has been approved by the Tontitown City Council and fully executed by the appropriate City officials.

Section 6. Continuing Solicitation Authority

The Tontitown Water & Sewer Department may use the procurement process established by this Resolution for future substantially similar auditing solicitations without obtaining additional authorization merely to advertise an RFQ. Each resulting professional-services agreement shall remain subject to separate City Council approval.

Section 7. Compliance with Other Requirements

Nothing in this Resolution waives or supersedes any requirement imposed by Arkansas law, the City's purchasing policies, applicable professional standards, or any controlling bond, loan, grant, or funding document.

Section 8. Effective Date

This Resolution shall take effect immediately upon its passage and approval and shall remain in effect until amended or repealed by the City Council.

PASSED AND APPROVED on this 3 day of August 2026.

APPROVED:

Angela Russell

Angela Russell, Mayor

ATTEST:

Rhonda Ardemagni

Rhonda Ardemagni, City Clerk-Treasurer

(SEAL)

SPONSORSHIP AND LEGISLATIVE HISTORY

Sponsor (Initiated By): Mick Wagner

Motion to Introduce Made By: Mick Wagner

Seconded By: Mike Washkowiak

Adopted / Passed: _____

Vote: Ayes 6 Nays ____ Abstain ____ Absent ____

This requirement is in addition to, and does not supersede, any authentication, attestations, or signature requirements imposed by state law or other provisions of the Tontitown Municipal Code.