

MINUTES

Monday, April 4, 2011

* 5:35 PM

Fiscal Committee Carnegie Town Hall

235 West 10th Street

Members Present: Council Member Sue Aguilar, Council Member Vernon Brown, Council Member Greg Jamison, Council Member Rex Rolwing,

Members Absent: None

Staff Present: Debra A. Owen, City Clerk/Chief of Council Operations and Jamie Palmer, CMC, Assistant City Clerk

Guests: Bill O'Toole, Scott Rust, Dave Pfeifle, Tracy Turbak, Kenny Anderson Jr., Mike Cooper, Mayor Mike Huether, Kendra Siemonsma, Don Kearney, James Ysbrand, Dean Karsky, Rich Oksol, Jim Entenman, Michelle Erpenbach, Marlin Thompson, Mark Millage, Jeanne Gerken, and Cheryl Rath

1. Call To Order

Committee Chair Brown called the meeting to order at 5:35 p.m.

2. Approval of Minutes

A. Friday, February 25, 2011

A motion was made by Council Member Sue Aguilar and seconded by Council Member Rex Rolwing to approve minutes of Friday, February 25, 2011.

Brown called for a voice vote on that motion and all members voted yes.

Motion Passed.

3. Reports and Updates

Item B was heard at this time. See item for action taken.

A. Discussion of the authorization of city contracts (SDCL9-1-5 and Sec. 34 1/2-1).

Brown introduced the topic and asked Debra Owen to review the proposed working draft ordinance. Owen gave a brief overview of the previous discussions that have occurred regarding contracts. Owen said that state law states that the authorization of contracts must be by the governing body but there is a provision that allows the governing body to delegate that authority. Owen read each of the proposed changes in the ordinance. Discussion occurred about the threshold limits in the proposed ordinance.

Mayor Mike Huether expressed his concerns about this issue and said that he thought the goal was to involve the Council with contracts involving high dollar amounts and the management of public facilities. He also thought that the contract volumes, dollar amounts, and contract purposes were going to be reviewed and discussed before any legislation was ever drafted. He expressed his concern about the draft ordinance that was

reviewed today and said the language doesn't encompass the common ground that they had previously discussed.

Jamison asked when the data regarding contracts from the month of March would be available. Huether replied that Scott Rust was compiling that information. Roling said that he would agree that the data from March would need to be considered before the draft legislation moves forward.

Brown said that it was the direction of the committee that staff present the draft ordinance at this meeting.

Scott Rust, Purchasing Manager, shared a document titled Contract Summary 2011 and reviewed the information. There were a total of 194 contracts and agreements for the months of January, February and March. He anticipates a much higher number in the next quarter. Rust said that the dollar amount data is currently being compiled and will be sent to the Fiscal Committee. Brown asked that Rust send that information to full Council.

Huether asked Rust to state the percentage of the 194 that were above the threshold amounts stated in the proposed ordinance and he estimated that approximately 60% of them were above that threshold.

Jamison asked about any delay issues that might arise if the Council moves forward with the proposed ordinance. Rust explained that it would add a challenge for them to be able to award bids and contracts within the 30 day timeframe. Brown asked him how this process works in other cities. Rust did some research and said that the State of Iowa has a provision in their law that states 30 days from the notice of intent of award. The State of North Dakota does not specify a time limit to award contracts and the States of Minnesota and Nebraska states a reasonable amount of time.

Brown asked Rust to explain the difference between a contract and an agreement. He said that a contract is used for construction and equipment and agreements are used for professional services or janitorial services and it outlines what needs to be done.

B. Budget Analyst Position (report only).

Aguilar stated that a subcommittee was appointed by Fiscal Committee Chair Vernon Brown to further discuss the Budget Analyst position. The members of the subcommittee are Councilors Aguilar, Erpenbach, and Roling. The members met on March 10, 2011, and reviewed the job description and made two minor changes. She was asked to report to Director Bill O'Toole and Mayor Huether of the Council's intent to move forward with hiring this position. The Mayor asked Aguilar to share the Council's intent for this position with Director Tracy Turbak and that has been done. She said that the Mayor assured her that the Council will have Human Resources support when hiring this position and that he would be looking in the administration budget for an unused FTE that could be used for this position.

4. Open Discussion

Jamison spoke about a report that was requested regarding the amount of money coming to the city from federal or state governments (i.e., grants). Tracy Turbak, Finance Director, said that the information is being compiled and it will be shared with the full Council.

5. Adjournment

A motion was made by Council Member Greg Jamison and seconded by Council Member Sue Aguilar to adjourn at 6:06 p.m.

Brown called for a voice vote on that motion and all members voted yes.

Motion Passed.

Jamie L. Palmer, CMC

Assistant City Clerk