



City of Grand Island

Tuesday, July 23, 2002

Council Session

Item G3

Approving Minutes of July 16, 2002 City Council Study Session

The Minutes of the July 16, 2002 City Council Study Session are submitted for approval. See attached MINUTES.

Staff Contact: RaNae Edwards

OFFICIAL PROCEEDINGS

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL STUDY SESSION

July 16, 2002

Pursuant to due call and notice thereof, a Study Session of the City Council of the City of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on July 16, 2002. Notice of the meeting was given in the Grand Island Independent on July 10, 2002.

Council President Larry Seifert called the meeting to order at 7:00 p.m. The following members were present: Councilmembers Pielstick, Larson, Hornady, Whitesides, Haase, Murray and Walker. Councilmembers Sorensen and Ward were absent. The following City Officials were present: City Administrator Marlan Ferguson, City Clerk RaNae Edwards, City Attorney Charlie Cuypers, Public Works Director Steve Riehle and Finance Director David Springer.

PLEDGE OF ALLEGIANCE was said followed by the INVOCATION given by Councilmember Pielstick.

RESERVE TIME TO SPEAK ON AGENDA ITEMS: Nine individuals reserved time to speak on agenda items.

Presentation of Public Works Annual Report. Steve Riehle, Public Works Director, reviewed the Public Works Annual Report, which included fleet services, engineering, solid waste landfill, street and transportation, and the wastewater treatment plant.

Final Report for the Platte Valley Industrial Park Drainage. Steve Riehle, Public Works Director, reported that the engineering consulting firm of Olsson Associates of Grand Island was hired to study the storm water drainage for the Platte Valley Industrial Park. The drainage system within the Park was part of the platting/subdividing of the property. An outlet for the ditch and detention cell system was needed.

Kevin Prior representing Olsson Associates presented two alternatives for carrying the storm water to an outlet. Staff felt it was appropriate to brief the Council on the results of the study before beginning discussions with property owners downstream of the Industrial Park. When more precise details of the plan as well as Right-of-Way requirements are known, another presentation would be made. Mr. Riehle stated a Public Hearing would be held to acquire Right-of-Way by Resolution so that discussions on acquisition of Right-of-Way could begin

Review of Proposed Changes to the Procurement Code. Marlan Ferguson, City Administrator, reported that a staff committee had been charged with reviewing the current Procurement Code and suggested areas for improvement. A comprehensive review of the Procurement Code had not been undertaken since the Code was significantly overhauled in 1991.

The Procurement Code provides for the fair and equitable treatment of all persons involved in public purchasing by the City, to maximize the purchasing value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity.

Over the course of the last three months, the Committee had reviewed not only the Procurement Code (Chapter 27 of City Code) but also associated policies and procedures that were established at the Administration level. The goal of the Committee was to identify what changes, if any, could be made to streamline the purchasing process and, at the same time, retain the integrity of the City's procurement processes. To assist in this effort, procurement policies from other first class cities were obtained and analyzed. Results demonstrated no consistent standards. Some cities did not have a formalized or centralized bidding process; each department handled purchases independently and in many cases differently than others. Others, like Grand Island, were quite structured in their bidding processes. As a result of this review and discussions with management, it was recommended that the Procurement Code be amended as follows:

Section 27-6 and 27-7 (Responsibility) Re-assign supervision of the purchasing policies from the Mayor and City Council to the City Administrator. This change clarifies that Department Directors are responsible to the City Administrator for purchasing decisions and any deviations to the Procurement Code would be addressed by the City Administrator and the Department Director, with the assistance of the purchasing agent.

Section 27-8 and 27-10 (Advertising Time) Reduce the length of time required between formal publication of invitation for sealed bids and bid opening from 15 days to 7 days. This same time frame would be established for the request for proposals for professional services such as accountants, clergy, physicians, lawyers, and dentists. These requests were generally mailed to potential bidders/proposals, in addition to the formal public announcement. This timeframe maintains adequate notice for response and allows for more efficient and timely purchasing. These timeframes were the minimum required and could be increased at the discretion of the Department Director depending upon the size or complexity of the project.

Section 27-9 (Advertising Time) Reduce the length of time required for publication for advertisements for competitive sealed proposals and the opening for these proposals from 30 days to 15 days. Again, this allowed adequate notice for offerors while expediting procurement process. It should be noted that requests for competitive sealed proposals are mailed to potential proposers who might have an interest (companies listed in Yellow Pages, for instance) or those who have previously expressed interest, in addition to the public announcement. These timeframes were the minimum required and could be increased at the discretion of the Department Director depending upon the size and complexity of the project.

Section 27-11 (Small Purchases) Set the dollar limit for small purchases at \$2,500. Small purchases such as materials, supplies, and equipment purchases that were under \$2,500 could be purchased without obtaining three quotations. Materials, supplies and equipment purchases over \$2,500 would require the solicitation of three confidential quotations.

Section 27-11 (Materials/Services) Increase the dollar limit for joint material/services from \$5,000 to \$7,500. These increases reflected real increases in service costs over the course of the last decade.

Section 27-11 (Formal Contracts) Align the contract amount for small purchases with those required for public works improvement projects. This change required all contracts exceeding \$20,000 to be considered by the City Council. Currently, the Procurement Code required contracts of \$10,000 to be brought before the Council, except for public works improvement projects (\$20,000) or purchases for the enlargement or improvement of the electric system (\$40,000).

Section 27-31 (Bidder Security) Adjust the dollar limit for when bid security was required for construction projects. Local Miscellaneous Expenditure Act Review of the Local Miscellaneous Expenditure Act had also taken place. The Legislature adopted the Expenditure Act to address issues relating to the purchase of meals, flowers, gifts and other similar expenditures. The City Council adopted the Local Miscellaneous Expenditure Act in its entirety. The Act addresses when the expenditures of public funds for meals, hotels, etc. are authorized. The Act allowed for the expenditure of public funds for meals, hotels, traveling and similar expenditures for officials, employees, or volunteers when they are conducting public business, if the government body had given prior approval for these expenditures. It was recommended that a line item be included in next year's budget for those types of expenditures. In order to ensure compliance with the intent of the Act, all requests would require the prior approval of the City Administrator.

Councilmember Pielstick expressed concerns about the advertising time. She felt that by giving companies plenty of time to work on their bids there might not be as many change orders. Councilmember Larson stated that most companies wait until the last minute to work on their bids anyway and most change orders were at the request of the City. Councilmember Haase questioned the change in responsibility. Mr. Ferguson stated this would align with what was being done. Councilmember Whitesides stated he felt the wording of Section 27-6 should include the mayor and city council.

Review of Proposed Fiscal Year 2002-2003 Annual Budget. The following outside agencies were present to request funding needs.

Donna Douglas, Community Humanitarian Resource Center, requested \$4,500 the same as last year.

Renee Seifert, Grand Island/Hall County Convention and Visitors Bureau, requested \$10,000 the same as last year.

Doyle Holme, Council for International Visitors, requested \$1,000 the same as last year. Councilmember Murray questioned the total budget which was \$2,400.

Lauri Shultis, Crisis Center, requested \$13,000 for FY2002-2003. Last year's request was \$10,000. Councilmember Larson asked if the Crisis Center worked with other organizations. Ms. Shultis stated that several organizations are associated with the United Way and they try not to duplicate services.

Family Violence Coalition of Central NE, Inc. requested \$20,000 for FY2002-2003. Last year's request was \$10,000. No one was present from the organization.

Jerry Murphy, Grand Island Dive and Rescue Team, requested \$9,772. This was the first year a request was submitted. The money requested would be used for the purchase of a trailer. Councilmember Walker asked if they had received money from the County. Mr. Murphy stated they received money from Keno funds and where ever they could get it. All services were volunteered. Councilmember Pielstick asked how long they had been organized. Mr. Murphy stated they started in 1989. Councilmember Seifert asked if they were reimbursed for their services. Mr. Murphy stated they were not. Brad Loeb, member of the Grand Island Dive and Rescue Team spoke in support of the funding. Councilmember Hornady asked if this was a one-time request. Mr. Loeb stated the amount of \$9,772 would be a one-time request, but would like the opportunity to come back next year as an outside agency. Councilmember Pielstick suggested the City fund \$10,000.

Marilyn Mueller, Retired and Senior Volunteer Program, requested \$10,000 the same as last year.

Lois Steinike, Senior Citizens Industries, Inc., requested \$10,000 the same as last year. Discussion was had concerning transportation. Councilmember Haase commented about the meals-on-wheels and what a valuable program it was.

Jill Hornady and Quiten Hooker, Central Nebraska Humane Society, requested \$172,000 for FY2002-2003. Last years request was \$121,000. Ms. Hornady explained the increase in budget request was due to increased animal intake and a need for a bigger and better facility. Councilmember Walker asked what their funding sources were. Ms. Hornady stated license fees and donations. Councilmember Pielstick stated concerns about the bad publicity and at this time a \$51,000 increase was too much. Councilmember Larson asked if this was the only humane society in central Nebraska. Ms. Hornady stated that is was. Mr. Larson asked whether other counties were part of the funding source. Ms. Hornady stated currently they were not but would be contacted. Councilmember Walker asked who received the money for licensing fees and fines. Ms. Hornady stated the Humane Society received those monies. Councilmember Pielstick questioned the cost of adopting an animal. Ms. Hornady stated it ranged between \$65 to \$95. Councilmember Hornady mentioned the service of disposing wild dead animals. It was mentioned that approximately 28,000 animals go through the Humane Society a year and 42% to 50% of those would have to be euthanized because there was not enough room to board them.

Steve Riehle, Public Works Director spoke for Betty Curtis, Clean Community Systems. Requested was \$18,000 the same as last year.

It was a consensus of the Council that all outside agencies needed to hold the line.

400 Fund and General Capital Funds: David Springer, Finance Director, reported on the 400 Fund and General Capital Funds. Parks and Recreation Department and Public Works Departments were reviewed with regards to the upcoming projects in the 400 Fund. Councilmember Murray questioned the water park expansion. Steve Paustian, Parks and Recreation Director explained the future plans for the water park. Councilmember Larson questioned the sales tax revenues. Mr. Springer stated we were ahead of last year's collections.

ADJOURNMENT: The meeting was adjourned at 10:05 p.m.

Respectfully submitted,

RaNae Edwards
City Clerk