

MONDAY, 7:00 a.m.

SEPTEMBER 26, 1994

FINANCE COMMITTEE
MINUTES

J'S RESTAURANT

NEWBERG, OREGON

The meeting was called to order by chair Don Wright at 7:00 a.m.

ROLL CALL:

Present:	Don Wright	Barbara Secor
	Bert Pennock	Alan Larking

Others Present:	Donna Proctor, Mayor
	Kathy Tri, Finance Director
	Diane Padilla, Asst. Fin. Dir.

MINUTES: The minutes of the August 29, 1994 meeting were reviewed and approved by unanimous consent.

NEW BUSINESS:

Janitorial Contract: Kathy Tri presented background on the request to approve changes in the janitorial contract and to transfer sufficient funds to cover the cost of the contract in the 1994-95 Budget. She indicated that during the budget process last spring, it became apparent that the City was spending more on janitorial and maintenance services than it had in the past. The staff took this opportunity to review the responsibilities of the maintenance worker and the janitorial contract to evaluate if there were alternate ways of providing service. After a review by the Community Development staff, it was recommended that the janitorial contract be reduced from five days a week service to once a week service for City Hall, Legal annex, Community development and three times a week service for the Library. The Wastewater Treatment Plant would be deleted from periodic cleaning and the staff would provide cleaning as needed. This results in an overall savings to the City of approximately \$20,000. In the meantime, the maintenance worker position had a change in staff and the staff evaluated the responsibilities and duties of that employee. Discussion revolved around the change in duties between the old maintenance worker and the new maintenance worker, the difference in salary, and what services were being lost. Bert Pennock and Donna Proctor asked the staff to return with additional information on these items. Kathy Tri responded that the City had looked at having a fulltime maintenance worker and a full janitorial services to only having the maintenance worker provide janitorial services. The option that was chosen by the staff was a compromise between those two extremes. Barbara Secor asked exactly how much the total cost for janitorial worker were and how much the savings was. Kathy Tri indicated that the total cost for maintenance and janitorial was between \$65,000 and \$70,000 and that there is an actual \$20,000 savings by restructuring the services. Bert Pennock moved to table the discussion until further information was provided. There was no second.

MOTION: Larking\Secor moved to recommend transferring \$22,500 to cover the janitorial services contract. VOTE ON THE MOTION: Ayes: 2; No: 1 (Pennock).

Purchasing Policies: Kathy Tri indicated that the City adopted purchasing procedures in 1975 and amended them again in 1984. It has been over ten years since the City reviewed its purchasing policies. She added that in October, the Middle Management Meeting will focus on purchasing and public contracts. She has established a committee with representatives from each department to review our

purchasing policies. They have recommended that some changes be made. Kathy Tri then reviewed a summary of the current policy and the proposed policy. Don Wright indicated that he had a problem with raising bidding requirements from \$1000 to \$2500, but he had no strong feelings either way on the short form P.O. or the blanket form P.O. recommended changes. Donna Proctor also indicated that she preferred to keep the \$1000 level for phone and written quotes. Alan Larking indicated that \$1000 was reasonable to him and is also the same level that his firm uses. Bert Pennock asked about the local preference and if the City already had a policy regarding local preference. Kathy Tri indicated that no there was no local preference. Bert Pennock indicated that he was concerned that sometimes by taking the lowest bid, you can get burned and it may be better to take a higher bid. Kathy Tri indicated that the employees try to go the lowest bid unless they have had a vendor that they have not had a good experience with, they can use that to reject the lowest bid. However, she indicated that staff must document this fact. The changes to the short form P.O. and the blanket P.O. were primarily to reflect cost of living increases and to save time. Barbara Secor added that prices have gone up and it seems that the dollar amount set for the short form and blanket P.O. were reasonable. Kathy Tri added that there continues to be a lot of oversight over the short form and blanket P.O. purchases so increasing the dollar amount will not change that oversight. Don Wright clarified that the only numbers in the statute are the \$1000 and \$15,000 for bid purposes and that the rest of the limitations are set locally. Kathy Tri indicated that that was correct.

MOTION: Secor\Pennock moved to accept the proposed policy for \$200 limit on short form P.O.'s, \$50 per item limit on blanket P.O.'s, no change in petty cash policy, 5% local preference and to maintain the \$1000 minimum for competitive quotes and a \$15,000 minimum for written bids. **VOTE ON THE MOTION:** Passed by those present.

Alan Larking requested a list of the blanket P.O. vendors.

Municipal Court: The committee reviewed the monthly municipal court update. Questions were raised regarding the cost of Mr. Mills and the revenue his efforts will produce and the roll of the City Attorney. Duane Cole joined the meeting and indicated that Rick Mills is working on the backlog of court cases. However, many of these cases are old and are tough to obtain any collection. Mr. Mills has been evaluating the cases on 1) the age on the case, 2) if the officer is still with the City, 3) quality of the information regarding the case, 4) how the case would do in court. If the case can be combined with a newer case, Mr. Mills is trying to do that. Don Wright asked if this effort was fulling the City's expectations. Duane Cole indicated that the backlog is being worked on but is not necessarily generating revenue as anticipated. We will probably not meet our budgeted amount. Kathy Tri indicated that this information will be provided to the committee monthly if they so wish and that Terry Mahr will be reporting to the committee quarterly to discuss court. There was also some discussion about the auditor being involved to assist the court in evaluating the accounting and billing system.

Monthly Report: Kathy Tri presented the monthly report for August. She indicated that there was a slight change in the report in that she did not list all the sewer and water statistics, but she tried to highlight the most important statistics related to those utilities. She added that August was another good month for building and planning and that the departments were within their budgeted limits. With regard to emergency medical services, expenses were at 7% and revenues were negligible. She did indicated that the City has received it's first payment from Springfield. She added that the City expected the lag time from insurance payments. Finally, she added that the City has about \$9.9 million in investments and cash.

Monthly Transactions: The committee reviewed that August accounts payable.

Questions were asked regarding reimbursement on a Transportation Impact Fee, painting of the clarifier by Evanhouse, reimbursement to Barkley Press, which was for landscaping bond, lodging at the Shilo Inn (for Bonnie Dodson attending a 911 meeting), purchasing of Discovery Toys for the Children's Library, a civil forfeiture judgement payment that was ordered by the court, utility assistance program, restitution, Newberg Graphic Focus costs, payments to Naps IGA for the Labor Day Jam.

Adjournment: The committee adjourned at 8:20 a.m.

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