

Council Questions – Staff Responses
City Council Meeting – May 9, 2011
All questions from Council as of May 9, 2011 at 7:10am

Councilperson: Karen Schmidt

Item 7D – Consent Agenda: Bids for New Golf Carts at Prairie Vista Golf Course

Question/Comment: “I don’t have a question about the car acquisition but I’m not entirely clear on the funding. I don’t understand how bringing the ERP up affects this, and what it means that we are temporarily funding through other funds. I assume this is simply a cash flow issue that we will rectify, and you are explaining this because we will see a negative balance for awhile?”

Staff Response: The budget calls for the golf carts and gold maintenance equipment to be purchased using a lease purchase. Finance has not completed the Request for Proposal (RFP) for the lease purchase because staff resources have been committed to other projects including the ERP. The Council Memo indicates the City will temporarily fund the purchase of this equipment from cash in other City funds until the permanent cash funding source (lease purchase) can be established. You are correct; this is a very limited measure and will be rectified once the lease RFP is completed. Staff used an expanded financial impact section for this memo to help the City Council understand the transaction.

Councilperson: Mboka Mwilambwe

Item 7D – Consent Agenda: Bids for New Golf Carts at Prairie Vista Golf Course

Question/Comment: “What is our plan to ensure that we don’t have to wait eleven years to replace the fleet in the future?”

Staff Response: Staff will work to budget for replacement of these items within the generally accepted industry timelines, factoring in conditions of the items, repairs or additional maintenance required and staff productivity. Staff hopes the economic climate will allow for replacement in a timelier manner in the future.

Councilperson: Mboka Mwilambwe

Item 7E – Consent Agenda: Analysis of Bids for New Golf Maintenance Equipment for the Golf Division of the Parks, Recreation & Cultural Arts Department.

Question/Comment: “What is our plan to ensure that we don’t have to wait eleven years to replace the fleet in the future?”

Staff Response: Staff will work to budget for replacement of these items within the generally accepted industry timelines, factoring in conditions of the items, repairs or additional maintenance required and staff productivity. Staff hopes the economic climate will allow for replacement in a timelier manner in the future.

Councilperson: Karen Schmidt

Item 7F – Consent Agenda: Analysis of Bids and Approval of Contract for Sidewalk Reconstruction (Citywide).

Question/Comment: “I am not familiar with WAS CON CO, are they local or did we attract from outside our community?”

Staff Response: WAS CON CO has performed the Town of Normal's sidewalk contract for the past two years. Normal has stated that the contractor has performed satisfactorily. WAS CON is out of Hammond, Illinois and run by Bill Schroeder (William A. Schroeder [WAS]). This contractor has been submitting bids on the sidewalk contract the past few years but has not had the low bid until this year.

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Councilperson: Jennifer McDade

Item 7F – Consent Agenda: Analysis of Bids and Approval of Contract for Sidewalk Reconstruction (Citywide).

Question/Comment: What is the procedure for a resident who wants to participate in the 50/50 or the ADA program? Where will the guidelines/process be published? How will this be handled?

Staff Response: Residents who want to participate in the 50/50 sidewalk program can visit the city website at www.cityblm.org and click the Construction Projects link on the main page. The following information is found at the link titled “50/50 Sidewalk and Ramp Replacement Program. This project includes the residential sidewalk repair program. Homeowners can have sidewalk along the street in front of their home replaced by the City's contractor for half of the cost. Applications are currently being accepted. The program continues through the summer until the budgeted money runs out. For more information call 434-2225.”

Councilperson: Mboka Mwilambwe

Item 7G – Consent Agenda: Intergovernmental Agreement with McLean County Board of Health for Animal Control Warden Services.

Question/Comment: “In reference to paragraph 3B: what is the typical annual cost to the city for this item? I am assuming that the city recuperates the costs from the owners of the animals, if they can be identified?”

Staff Response: Over the years there has been a 3% increase normally administered because of the increasing costs of providing services. This year there was a 5% increase due to the fact that the vehicles used to pick up stray animals was in need of being replaced. This simply reflects our portion of the costs of this equipment. Many years ago we had an animal control warden eight hours a day five days a week working for the city. The costs benefit analysis showed clearly the city to be money ahead by contracting with McLean County for these services. The annual cost for the last 2 years was \$91,020. and with the 5% increase this fiscal year we are now at \$95,568. The city is the biggest user of the animal control services just by the nature of our size and population.

Councilperson: Mboka Mwilambwe

Item 7J – Consent Agenda: Agreement with Nugent Consulting Group (NCG) for Insurance and Consulting Services from May 1, 2011 through April 30, 2013.

Question/Comment: “What is the cost savings compared to what was offered before?”

Staff Response: Staff along with Nugent Consulting Group believes that savings is well over \$3million since 2009.

Councilperson: Karen Schmidt

Item 7J – Consent Agenda: Agreement with Nugent Consulting Group (NCG) for Insurance and Consulting Services from May 1, 2011 through April 30, 2013.

Question/Comment: “Can we get a broad overview of the services that we anticipate the Nugent Group providing and why our HR department cannot provide these services? I appreciate what Nugent has done with analysis of RIMCO, bringing in ASC and their work on brokerage services. It seems like the Nugent Group is now taking on project management issues (safety plan, insurance coverage, etc.) and I’m not clear why we are hiring outside help for this or what resources we lack internally that the Nugent group can provide. I would like to see the big picture.”

Staff Response: The short answer to your questions would be, the City does not have an employee with Risk Management and Safety experience on staff. Mr. Nugent has been the expert/consultant that has

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assisted Staff with Insurance Brokerage, Third Party Administration, as well as risk and safety. Mr. Nugent has risk management and insurance expertise in the following ways that Bloomington's HR Department does not:

- Insurance Placement – City does not want to rely on a broker that never works out.
- Claim Management – Mr. Nugent deals with claims management every day, HR does not have that experience. Internal Staff from Administration does deal with the day-to-day administration of ASC (Third Party Administrator) regarding Worker's Comp and Property Casualty Claims, as well as internal staff from HR and Legal.
- Safety Issues – Mr. Nugent looks at what works, what does not work and where to find resources.
- The City is self-insured, most self-insured organizations have either a full-time Risk Manager (a person who would manage all aspects of the self-insurance program), or have a consultant such as Mr. Nugent manage the program.

Nugent & Associates' fees have decreased dramatically since their assistance with RIMCO and setting up of ASC. Now their fees reflect consultation services, Staff carries out most of the project after Mike Nugent has laid the groundwork.

- Expenditures FY 2008/2009 \$2,990.00
- Expenditures FY 2009/2010 \$21,328.00
- Expenditures FY 2010/2011 \$12,111.00

Mr. Nugent will be available at the City Council Meeting tonight to address any additional questions pertaining to Staff's recommendation and the City's payment for Property, Liability, Excess Liability and Excess Worker's Compensation Insurance Coverage (Item 9A – Regular Agenda).

Councilperson: Jennifer McDade

Item 7J – Consent Agenda: Agreement with Nugent Consulting Group (NCG) for Insurance and Consulting Services from May 1, 2011 through April 30, 2013.

Question/Comment: Share Karen's question.

Staff Response: See answer to previous question on Item 7J.

Councilperson: Mboka Mwilambwe

Item 7K – Consent Agenda: Professional Services Contract for the Bloomington Center for the Performing Arts.

Question/Comment: "I noticed that the contract for Joshua Redman/Brad Mehldau included a "gross potential" section but others did not. Is there a reason for that to be included for this particular contract but not others?"

Staff Response: The performance contracts originate with the Agent for the performers. Some Agents prefer to include a "gross potential" section in the verbiage; however, other Agents do not. It varies from Agent to Agent.

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Councilperson: Mboka Mwilambwe

Item 7L – Consent Agenda: Agreement with Tech Solve in Conjunction with the Government Finance Officers Association for Integration for the “CONROE LEAN” Process into the City’s Cash Handling Process

Question/Comment: “\$145,000 has been allocated for special projects designed for fiscal efficiencies. Aside from Nugent, what other projects are anticipated? I am looking for something brief, nothing expansive and simply wondering if the use of Nugent will result in us not needing to use the total \$145,000 allocation. I like this “Lean” concept, especially given the fact that we have reduced staff in certain areas but continue to face pressure to deliver services at the same level. I would encourage a similar process in other areas to determine how we can assist staff. What is the timetable for this project?”

Staff Response: Mike Nugent is being paid from the Property Casualty line item. The Conroe Lean projects will be paid from the \$145,000. The remaining funds will possibly be used for internal reviews of various City departments and/or functions. No timetable has been set. This will be established if Council approves the project. It is the goal of staff to complete the project by December 2011. Your suggestions will be passed on to Staff.

Councilperson: Karen Schmidt

Item 7L – Consent Agenda: Agreement with Tech Solve in Conjunction with the Government Finance Officers Association for Integration for the “CONROE LEAN” Process into the City’s Cash Handling Process

Question/Comment: “Very interesting. I look forward to seeing how this develops.”

Staff Response: Thank you for your interest.