



Las Vegas

Agenda Item No.: 10.

AGENDA SUMMARY PAGE

AUDIT OVERSIGHT COMMITTEE MEETING OF: NOVEMBER 10, 2011

DEPARTMENT: CITY AUDITOR'S OFFICE

DIRECTOR: RADFORD SNELTING

☐ Consent ☒ Discussion

SUBJECT:

Discussion for possible action on Audit of Public Works - Consultant Selection Committee (1502-1112-01)

Fiscal Impact:

☐

No Impact

☐ Augmentation Required

☐

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

City Auditor's Office staff will review the Audit of Public Works - Consultant Selection Committee (1502-1112-01)

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Audit of Public Works - Consultant Selection Committee (1502-1112-01)
2. Submitted at Meeting PowerPoint Presentation Slides 21-34

Motion made by PAUL WORKMAN to Approve

Passed For: 5; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

STEVE WOLFSON, PAUL WORKMAN, MICHAEL W. KERN, LOIS TARKANIAN, ALLEN KAERCHER; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

CITY AUDITOR RADFORD K. SNELTING recognized JORGE CERVANTES, Director of Public Works, DAVID BOWERS, City Engineer, and CITY MANAGER ELIZABETH FRETWELL for their quick attention. He also thanked MICHAEL MANDOLFO, Ombudsman, for his contributions. CITY AUDITOR SNELTING then reviewed a report on the audit of Public Works Consultant Selection Committee, and outlined the competitive bidding and selection processes. He provided an overview of his findings and the recommendations of a prior audit. Management has been very receptive to his recommendations and has identified their action plan, including a timeline, for addressing the recommendations.

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MEMBER KAERCHER asked for clarification on the competitive bidding process, and whether items are just placed on the consent agenda if there is no competitive bidding. He asked for a percentage on how many items are awarded to local businesses and how many are awarded to out of state businesses in order to identify trends. He also asked breaking down larger bids into smaller projects could help local businesses. MR. CERVANTES explained that standard awards are put on the consent agenda, but that our members can pull those items for discussion. He also explained that businesses have to have a local office to participate in the bidding process, but reminded the Committee that many large and international corporations have local offices. MEMBER KAERCHER stated that many of the complaints he has received is that once jobs are done, some businesses are packing up and leaving Nevada. MR. CERVANTES stated that part of the ranking process involves local representation and that blanket agreements will be limited to \$500,000 maximums.

MEMBER WORKMAN received clarification from MR. CERVANTES that the new committee membership has just been established and that the minutes are being put together.

CITY AUDITOR SNELDING stated that the previous audit was for personal services which do not require competitive bidding. The preceding report is under a flagship process for how they believe it should be done and the committee restructuring addresses the issues from the previous audit. Based on the recommendations that have been made and already implemented, the process is much stronger.

MEMBER KAERCHER received confirmation from MR. CERVANTES that the City Council is given information about the applicant, including whether or not they are a local business. MEMBER TARKANIAN confirmed that many times a council member will specifically ask if businesses are local.

MEMBER KERN asked if blanket agreements create conflict with primary contractors and whether or not they create inefficiencies realized to the City if they begin to dilute the blanket agreements in order to spread them around. CITY AUDITOR SNELDING did not see anything that would indicate that, but the primary reason for doing that is to test or try out other contractors that may not otherwise get an opportunity to work with the City. He clarified for MEMBER KERN that the expansion of the Committee and the recommendation of report cards would better reflect inefficiencies and give access to all the information available.