

## **City Council Governance Committee Meeting Minutes**

A meeting of the City Council Governance was held on Thursday, April 7, 2005 at 12:00 pm in the Media Briefing Room with the following present:

**Council Present:** Mayor, Edward D. Garza  
Councilmember Art Hall, District 8  
Councilmember Carroll Schubert, District 9

**Council Absent:** Councilmember Richard Perez, District 4  
Councilmember Julian Castro, District 7

**Staff Present:** Rolando Bono, Acting City Manager; Leticia M. Vacek, City Clerk; Patricia Major, City Auditor; Martha Sepeda, Acting City Attorney; Roland Lozano, Assistant to the City Manager; Rod Sanchez, Development Services

### **CALL TO ORDER**

Mayor Garza called the meeting to order.

#### **I. Approval of Minutes for the meeting held March 2, 2005.**

Councilmember Hall moved to approve the minutes of March 2, 2005 as presented. Councilmember Schubert seconded the motion. Motion carried unanimously by those present.

#### **II. Agenda Planning Related Items**

- A. Discussion and consideration of a request to reduce the fine, which was assessed against Northside Independent School District (NISD) for starting construction without a permit, from \$61,648.43 to \$6,164.84, and requesting that the difference be credited to NISD's escrow account; as requested by Councilman Enrique M. Barrera, District 6. [Presented by Florencio Pena, Director, Development Services Department; Christopher J. Brady, Assistant City Manager]**

Mr. Bono referenced a memo from Councilmember Barrera requesting Council concurrence in directing staff to reduce the fine of \$61,648.43 for starting construction without a permit. NISD requested waiving or reducing the fine amount that was assessed on August 28, 2003. NISD paid the fine on September 4, 2003 and obtained a conditional permit the same day.

The fine amount was determined by the building permit amount, which totaled \$61,648.43. Of the total construction project, approximately 10% had been constructed without a permit. Reducing the fine amount to \$6,164.84 the City will fine NISD for only the construction completed at that point. The difference between the amount paid

and the reduced fine amount is \$55,483.59 and will be credited to NISD's escrow account and will be used for future NISD projects.

Councilmember Hall moved to approve said item and forward same to A Session. Councilmember Schubert seconded the motion. The motion carried unanimously.

**III. Briefing by Patricia Major, City Auditor on the following item(s):**

**A. Status of Audits/Projects in Progress**

1. Fire – Payroll special compensation
2. Public Works – Procurement card
3. Parks and Recreation – Boats and Barges concession contract (old)
4. Municipal Court – Parking fines collection contract
5. Fire – EMS billing services contract (old)
6. Information Technology Services – Application change controls
7. Information Technology Services – Contract management
8. Information Technology Services – ERM project customer relationship management (CRM) implementation review
9. Police – Payroll and special compensation
10. Parks and Recreation – Procurement cards
11. Citywide – External financial audit assistance
12. Citywide – External single audit of State and Federal grants
13. Aviation – Procurement cards
14. Convention and Visitors' Facilities – Hotel-Motel tax collection processes – City management & internal controls review
15. Citywide – Accounts receivable review and confirmation process – Work delayed due to external audit
16. Aviation – Information Technology
17. Information Technology Services – 911 emergency dispatching systems – Fire/EMS & Police – Fieldwork in process/Nearing completion
18. Information Technology Services – Authorized remote access
19. Parks and Recreation – San Jose Burial Park Fund
20. Information Technology Services – Mainframe operating systems review (security)
21. Information Technology Services – SAP business process – payroll
22. Municipal Court – Misdemeanor fines collection contract
23. Community Initiatives – PCI/Head Start grant or COSA CCDS grants from Alamo WorkSource/HHS
24. Finance – Time Warner and/or Grande Communications Cable Franchise agreements – limited in scope to one year
25. Development Services – Revenue, cash receipts & receivables
26. Information Technology Services – City & County Information Technology shared services
27. Information Technology Services – Post implementation ERM project data cleansing/data conversion
28. Information Technology Services – Procurement cards
29. Information Technology Services – Fraud data mining
30. Information Technology Services – SAP basis administration (role security)

31. Aviation – Car rental concession contracts

**B. Discuss and Approve New Audits/Projects**

Ms. Major requested concurrence on items 20-31 she stated her department can finish all audit items list above thru item 31 by fiscal year end 2005.

Mayor Garza asked if items can be added to the audit list. Ms. Major replied yes, however, her office is short 5 staff members.

Councilmember Schubert noted that with regards to item 31, the Vehicle Impound Lot, and asked Ms. Major to look into the Request for Proposal.

Councilmember Hall requested further information on item 3. Ms. Major noted a review of the old contract number 2111 that authorized Yanaguana Cruises, Inc., to provide tour, charter, dining and other river navigation activities for \$32 million. Ms. Major added that the review should include an evaluation of financial and management controls.

Councilmember Hall asked about item 23, PCI/Head Start Grant or COSA, CCDS Grants from Alamo WorkSource/HHS audit project. Ms. Major reported the Federal Government had conducted an audit.

Councilmember Hall moved to approve the audit project numbers items 20-31. Councilmember Schubert seconded the motion. The motion carried unanimously by those present.

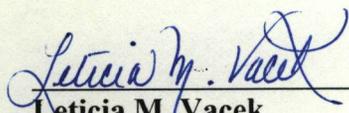
**IV. Consideration of Scheduling of Items for Future Meetings.**

Said item not addressed.

Copies of these presentations are made part of the file and are available upon request

**There being no further discussion, the meeting was adjourned at 12:45 pm.**

ATTEST:

  
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Leticia M. Vacek  
City Clerk

  
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Edward D. Garza, Mayor