

CITY COUNCIL GOVERNANCE COMMITTEE MEETING

March 4, 2004

12:00 p.m.

103 Main Plaza, Plaza Room 6

The meeting was called to order at 12:00 p.m. by Chair, Mayor Ed Garza, with the following members present: Council members Perez and Schubert; Absent: Castro, Hall

Staff members present: J. Rolando Bono, Kevin Dolliole, Erik Walsh, Ryan Martinez, Patricia Major, Milo Nitschke, Rick Naylor, Andrew Martin, Yolanda Ledesma

- I. Discussion of the final report for audits of the Aviation Department Parking Operations, and Landing and Refueling Fees.

Ms. Patricia Major stated that all documentation with transmittal letter had been submitted.

Mr. Kevin Dolliole, Aviation Director, spoke to the changes to the matrix and explained outline of departmental responses to audit findings and recommendations. He added that a new system is in place to assure proper controls, he was confident that when properly completed and utilized, this would be a good management tool that would increase control. He stated there would be a concentrated effort to balance effort of operation. He noted they would follow due diligence to carefully implement those recommendations that made the greatest sense, and while some may not be too effective, staff wanted to analyze more for future implementation.

He then spoke to Item 9 of the audit report, noting the it was an express pay machine and that while the tape is pulled by parking personnel, information is generated by machine and cannot change the data on the machine. He stated the machine resets itself and a register tape could be retrieved but information could not be changed. He stated there was no cash involved.

With respect to Item 11 on the inventory, Mr. Dolliole stated it was accomplished through parking staff, and felt there was no risk involved. He further explained the inventory of license plates.

Mr. Rolando Bono, Deputy City Manager added that the system was used by Police Department in recovery of lost vehicles.

Mr. Dolliole spoke to Item 25 regarding parking utilization adding that this was more a management issue. He stated strategies were being developed to utilize department facilities, and that a new plan would give ability to implement different customer enhancements such as covered parking, pay-of-foot system, or pre-pay parking, thereby generating more revenue.

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Ms. Major stated that at time of audit, concern was from 2002 – present that the system cannot deliver reports, or have analytical data to help management for benchmarking or performance measures.

Mr. Dolliole added that this would not affect the ability to generate revenue, and felt that it was a good program and an effective one. With respect to items 28-30, regarding implementation of parking system, Mr. Dolliole stated that the system was fully up and going since August, 2003.

With respect to Items 31, 32, 34 and 35 regarding landing fees, Mr. Dolliole stated there was a process in place, and that this was more of a cost recovery fee, not a profit center. He stated the report is submitted annually to FAA, and periodic audits are made.

Mr. Dolliole stated that more investigation and report should be made on the landing fees category. He spoke to a computer system to more accurately bill for the landing fees, but noted that the system was very costly. He added they were more aggressive on other fronts, such as the noise monitoring system that will produce information that can be utilized. He added that current practices are also utilized in other airports, but staff would certainly look for other options.

Mayor Garza stated this was a good example from standpoint of staff looking at ways to address vulnerabilities. He spoke to a process to handle disagreement, where areas of disagreement are pinpointed, provide full audit report to the Council and then obtain feedback.

Ms. Major stated there was disagreement about some issues, and noted some concern with the parking garage which is the biggest money maker. She felt there was not a strong enough process to monitor the flow-thru traffic.

Mayor Garza spoke to the process for resolving audit issues where Governance would have the audit report and effort would be presented to resolve issue and also have full Council involved. He spoke to the finalization of the matrix, noting that it was a working progress.

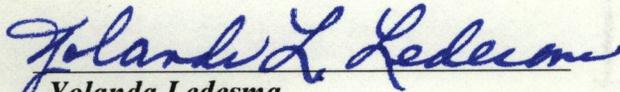
Councilman Schubert added that it was Council's responsibility to make determination on final cost benefit, and that there should be opportunity to do effective analysis.

II. Consideration of scheduling of items for future meetings.

This Meeting was adjourned at 12:35 p.m.



Mayor Edward Garza, Chairman


Yolanda Ledesma
Acting City Clerk

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