

CITY COUNCIL GOVERNANCE COMMITTEE MEETING

April 8, 2004

12:30 p.m.

Municipal Plaza Room 6, Main Plaza

The meeting was called to order at 12:30 p.m. by Chair, Mayor Ed Garza, with the following members present: Council members Castro, Hall and Schubert Absent: Perez

Staff: Rolando Bono, Patricia Major, Troy Elliot, Frances Gonzalez, Gary Moeller, Joyce Maguire, Milo Nitschke, Erik Walsh, Andrew Martin, Yolanda Ledesma

- I. Presentation by Patricia Major, City Auditor, on the following item:
 - A. Update on ERM Testing by Mercury Interactive
 - B. Discussion of ERM Status Reports
 - C. Status of audit projects.

Ms. Patricia Major stated that a final report would be completed within a month – 6 weeks.

Ms. Major stated that with respect to budget transaction testing, they would not be able to run budget selection, that the work scope was not investigated and authorization was needed to run test on 1 HR transaction. She added that there were problems encountered the night before. With respect to monitoring of 4 transactions, IT Department would need to purchase equipment and improve infrastructure, noting that network improvements had not been completed. She added that the Mercury results had beneficial output.

She did highlight concerns on ERM with respect to having to come to Governance to bring issues to the Council where it should be staff. She noted status reports were made every 3 months, but recommended that every other week a report should come from the ERM team. She reiterated her concerns and issues that still needed resolution and stated there was no timeline to bring issues forward to the Council. She stated decisions were being made on HR implementation, and that Council members needed to be briefed.

Mayor Garza stated that the quarterly reports were useful, and that the Auditor should also get a copy to keep up with issues, but also noted that City Council should be updated every two weeks, however also incorporate into the quarterly report which is helpful to the Council to understand issues.

Mr. Troy Elliot stated he would keep City Council informed on issues as they come up.

Mr. Rolando Bono stated the ERM team was working hard and that it was taking an inordinate amount of time. He stated it was an intense situation, and further noted that the Mercury Testing was of great value.

Ms. Major expressed concern with the amount of time to get a written report to the City Council. She spoke to the meetings of the Steering Committee which were held sporadically, and that issues are not being resolved.

Councilman Schubert spoke to the high tech issues involved, and that if City Council is making policy decisions, they need to fully understand the issues. He stated the Council had no clue to what the problems were and that the issues need to be laid down specifically for them to understand.

Ms. Major stated that the Management Team wants to bring the issues forward, however that it was taking too long to do so.

Mr. Gary Moeller stated that was incorrect, and that HR issues were being worked on by staff.

Ms. Major spoke to the problems with salaries and morale, adding that talented people would come in and then leave. She spoke to the manual test of the budget process and that the automated testing was not possible.

Mr. Erik Walsh stated that the budget was in an Excel layout, and that Mercury could not go through Excel.

Ms. Major reiterated her recommendation on having bi-weekly updates. She also noted there was a break in communication, and that it was incumbent upon City staff to provide the same information to the City Council and the Auditor's Office.

Ms. Frances Gonzalez clarified that HR staff was in training, however added that all departments were advised. She stated that certain positions would stay open, that critical positions that the City needs to hire such as the seasonal employees, or for the library, those would be hired on the manual process. She stated that some departments would be phased in due to the number of people, however should be completed in two weeks.

II. AGENDA PLANNING RELATED ITEMS

- B. Briefing regarding the creation of a pilot program in an area in and around the SBC Center to be designated as a Clean Zone, as requested by Councilman Joel Williams; Presented by Roland Lozano, Assistant to the City Manager; Terry M. Brechtel, City Manager.

Mr. Roland Lozano stated that they were working with departments involved to create a similar ordinance to the ones previously created on the clean zone.

Councilman Hall recommended to send the item to A Session, Councilman Schubert seconded the motion. Committee members approved the recommendation.

- A. Briefing regarding the designation of a portion of Pecan Valley Drive (Morningside Street to J. Street) as Jack W. De Vaughn Sr. Memorial Drive as requested by Councilman Joel Williams; Presented by Florencio Pena, Director of Development Services; Christopher Brady, Assistant City Manager.

It was stated that since it was not an official name change that it was not necessary to go through the process.

Councilman Hall recommended that the item be placed on the A Session. Councilman Schubert seconded the motion. Committee members approved the recommendation.

- C. Briefing regarding a one-hundred (100%) reduction of the total closure fee for the closure, vacation and abandonment of an improved 20-foot wide alley located between Clamp and Mango Avenues adjacent to NCB 9373, as requested by Councilman Ron H. Segovia; Presented by Rebecca Waldman, Director of Asset Management; Erik J. Walsh, Assistant to the City Manager.

Ms. Rebecca Waldman explained the proposed alley closure, average of appraised value, noting the residential alley was no longer accessible. She stated Councilman Segovia recommended 100% reduction of fees, noting however there was a precedent issue, adding that 75% would be fair.

In response to Councilman Hall on the property owners, Ms. Waldman stated it was divided among property owners. She stated the challenge was the 100% agreement.

Councilman Hall recommended that it be moved to A Session with the 100% reduction and open for discussion. Councilman Schubert seconded the motion.

Committee members approved the recommendation.

- D. Briefing regarding a discussion of the pros and cons of moving Project Quest, and any workforce development programs from under the Department of Community Initiatives to the Department of Economic Development, as requested by Councilwoman Patti Radle;

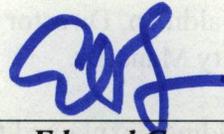
Presented by Dennis J. Campa, Director of Community Initiatives and Ramiro Cavazos, Director of Economic Development; Frances Gonzalez, Assistant City Manager.

Mr. Dennis Campa made a presentation on the workforce coordination, citing the 2004 funding, workforce training, amounts to the delegate agency contracts, contract management and leveraging.

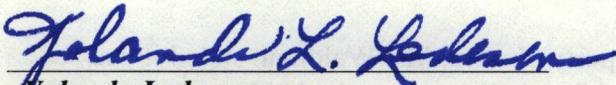
Councilman Schubert recommended that this item be forward to Economic and Human Development Committee to review pros and cons. Councilman Hall seconded the motion. Committee members approved the recommendation.

III. Consideration of scheduling of items for future meetings.

Meeting was adjourned at 12:48 P.M.



Mayor Edward Garza, Chairman



Yolanda Ledesma
Acting City Clerk