

**CITY COUNCIL ORGANIZATIONAL MEETING  
FEBRUARY 10, 2014  
IMMEDIATELY FOLLOWING DIRECTORS' MEETING  
555 S. 10<sup>TH</sup> STREET  
BILL LUXFORD STUDIO**

**I. MINUTES**

1. Directors' Meeting minutes of February 3, 2014.
2. Organizational Meeting minutes of February 3, 2014.

**II. BOARDS/COMMITTEES/COMMISSIONS/CONFERENCE REPORTS**

1. Lincoln Partnership for Economic Development (LPED) - Camp, Christensen, Eskridge

**III. REQUESTS OF COUNCIL FROM MAYOR**

**IV. PRESENTATION**

**“Strategic Procurement Initiative”**

**Leirion Gaylor Baird, City Council Member; Bob Walla, Purchasing**

**V. CITY COUNCIL MEMBERS**

**VI. MEETINGS/INVITATIONS**

See invitation list.

**VII. ADJOURNMENT**

**MINUTES  
CITY COUNCIL ORGANIZATIONAL MEETING  
FEBRUARY 10, 2014**

**Present:** Carl Eskridge, Chair; Doug Emery, Vice Chair; Leirion Gaylor Baird; Trent Fellers; Jonathan Cook; Roy Christensen; and Jon Camp

**Others:** Rick Hoppe, Chief of Staff; Bob Walla, Assistant Purchasing Agent; and Mary Meyer, Council Staff

Chair Eskridge opened the meeting at 2:34 p.m. and announced the location of the Open Meetings Act.

**I. MINUTES**

1. Directors' Meeting minutes of February 3, 2014.
  2. Organizational Meeting minutes of February 3, 2014.
- After Council review, above minutes placed on file in City Council office.

**II. BOARDS/COMMITTEES/COMMISSIONS/CONFERENCE REPORTS**

**1. Lincoln Partnership for Economic Development (LPED) - Camp, Christensen, Eskridge**

Christensen stated they discussed on-going programs, asking for input. Appreciate any ideas on new businesses, as they want to develop Lincoln. Presented a start up success. A small company developed a patient management system for Bryan Hospital and now other businesses interested in purchasing this medical coordination system. The program designers are thinking of selling the program throughout the nation. Part of this start up system was through an entrepreneurial system which started here. Looking for other opportunities to do the same.

**III. REQUESTS OF COUNCIL FROM MAYOR**

Hoppe stated he spoke last week on Engineering Services new task force. Now forming the committee and need a Council Member to serve on the committee. Eskridge asked for discussion.

**Motion:** Fellers nominated Councilman Christensen as Council representative. Cook seconded. With unanimous agreement Councilman Christensen was elected.

**IV. PRESENTATION**

**“Strategic Procurement Initiative”**

**Leirion Gaylor Baird, City Council Member; Bob Walla, Assistant Purchasing Agent**

Gaylor Baird stated she would speak on an issue being worked on with the Purchasing Department.

She stated last summer Walla presented contracts we were asked to approve. Contracts with other counties, the county, and also seeing us piggy-back off some UNL contracts, for the City. Intrigued, and spoke to Walla and Mejer, Purchasing Agent, about any potential opportunities for expanding these purchasing arrangements. We met, brain stormed, and developed objectives for an initiative which hopefully will achieve cost savings and greater efficiencies in the way the City procures the commodities needed to conduct business. We presented our idea to the Mayor's office and received their support in bringing together the department heads to discuss.

Gaylor Baird stated we have different ways to approach bringing about this initiative. One is to start with the internal way we do business. We purchase items for different departments and look for opportunities

to identify similar items, then group together before we purchase, and the opportunity to save. Then, going outside of the City and County, with PBC permission, have other entities, such as the State, UNL, who we do some work with now, and others which we haven't joined with to undertake collaborative purchases. Other organizations exist such as LPS and LES, and potentially other cities or counties.

Now in the preliminary project phases, but excited with what's been happening so far. We formed the Procurement Advisory Group consisting of representatives of all City departments, as we want buy-in and contributions to make this work. The goal of the Procurement Advisory Group is to share information, start to identify and control collaborative opportunities internally, in the current fiscal year and also get ready for the next fiscal year and future cycles. To plan ahead for more cooperation.

Walla stated the first meeting went very well. Basically asked if they could change the procurement process in any way what would that be? Received quite a few responses, and good suggestions, helping us understand some frustrations. Also received information on how we code items in our JDE System and how some processes worked with JDE, which we weren't aware of problems in the past. From that meeting we're able to start looking at ways to make the process easier for people placing orders and in making sure the purchase orders get processed as quick as possible.

Gaylor Baird stated all have been working on submitting lists of anticipated needs, particularly large items, capital expenses, where there may be savings. Did identify what was needed to conduct a study. Walla commented in the departments lists, for large purchases over \$3,000, depending on how often they're ordered, taking the list and looking at other contracts we currently have in trying to determine possible ways for more annual supply contracts, long term, which would give better prices and more vendors to compete for items. Putting the list together is the first time which we've requested anything along this line. We received responses from almost all departments but hope as we work forward for the next fiscal year it will be more detailed and we'll utilize the information even more, especially between City and County departments, with the Public Building Commission trying to put all together.

Camp stated he was intrigued by the quality surplus side of other entities. Would this be among a consortium? Gaylor Baird replied they met with SCC, but currently don't have groups. One fact with SCC and LPS, all purchasing money is from the same wallet so everyone seems interested in how this might work. SCC replenishes their computers quicker than the City does. Our vehicle policy shows some opportunities to consider purchasing their surplus items, and having those conversations before they go to auction. Gaylor Baird asked Walla to explain the differences in SCC's policies with fleet vehicles.

Walla stated, an example is County surplus vehicles, usually Sheriff's vehicles, which have come off the street with 150,000 to 180,000 miles. We distribute to departments who need vehicles, with maintenance and upkeep extremely expensive. If we have the opportunity to pick up vehicles with 60,000 or 70,000 miles, at a decent price, could keep for much longer without putting so much money into them.

Gaylor Baird commented with just the initial stages of receiving departments' information Walla was able to achieve some savings on vehicle purchase for the County. This was even before the first meeting of the Procurement Advisory Group. The initial indication shows possible opportunities to attain meaningful savings. SCC and LPS are both receptive to the idea. LPS has shared a maintenance contract with us to support maintenance of the Library Board system. On the maintenance setup with UNL and LES will start exploring the possibilities.

Camp stated over the years some has been national, example - the fire trucks, where we piggybacked. If you went to the consortium, and had a certain type of item or situation, where it's so large you take away the ability of several organizations to get a piece of the contract. You're looking for economy of scale, our side is understanding where the private sector comes from, and divide. Gaylor Baird replied

we're trying to increase the number of bidders as some items end up with just one bidder, not very competitive. We don't know what the scale will be yet, but sensitive to the issue. Camp added, there's certain items, not many, but want to get all involved. May run someone out of business so you have less competition in the long run. Walla stated with services like heating, air-conditioning, plumbing, we still have our unit of price contracts where we have from two to four local vendors to provide local services. The elevators, we did put out a few years ago and the main purpose was because of confusion on how the contracts were put together and who served what buildings. Basically have three entities, and we tried to put all together which worked well, and has been for the last three years.

**V. CITY COUNCIL MEMBERS**

Eskridge stated he meant to mention last week but everyone should know we're in a newly named room, the Bill Luxford Studio. Do express appreciation to Councilman Emery for his work with the name change. Emery replied he appreciates everyone's cooperation, and requested Cook to go forward with the Public Building Commission to make official. Cook stated the PBC meets tomorrow. We'll vote, do have a resolution, and the Building Commission will take care of it. No necessity for any other action.

**VI. MEETINGS/INVITATIONS**

See invitation list.

**VII. ADJOURNMENT**

Chair Eskridge adjourned the meeting at 2:53 p.m.