TOWN OF PALM BEACH

Office of the Town Clerk

REPORT OF THE FINANCE AND TAXATION COMMITTEE
MEETING HELD ON THURSDAY, OCTOBER 12, 2017

I. CALL TO ORDER AND ROLL CALL

The Finance and Taxation Committee meeting was called to order on Thursday, October 12, 2017, at 1:30 p.m., in the Town Council Chambers. On roll call, all Committee Members were found to be present.

II. PLEDGE OF ALLEGIANCE

Chair Moore led the Pledge of Allegiance.

III. COMMUNICATIONS FROM CITIZENS - None

IV. APPROVAL OF AGENDA

Motion was made by Committee Member Kleid, and seconded by Chair Moore, to approve the Agenda. The motion carried unanimously.

V. REVIEW OF PURCHASING THRESHOLDS AND PROCESS IMPROVEMENTS

Jane Struder introduced Dean Mealy, Purchasing Manager and Duke Basha, Assistant Purchasing Manager.

Dean Mealy, Purchasing Manager, gave an overview of his past experience in Miami Dade County as Chief Purchasing Officer, New York City working with the Bloomberg administration as Executive Director of Logistics, and as Purchasing Manager with the City of Riviera Beach.

Duke Basha, Assistant Purchasing Manager, gave an overview of his experience with the Federal Government as a General Services Assistant and Procurement Supervisor and with the City of Delray Beach.

Dean Mealy reviewed the Purchasing process and the existing thresholds. He spoke about the cost savings of $143,000 by negotiating current contracts. In response to Mr. Kleid's query to be more explicit, he identified Fire Rescue equipment, where they actually obtained reduced pricing for the same equipment with another in-state vendor.

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He addressed several improvements to the purchasing process such as:

- Increasing the Purchasing thresholds;
- Checking the inventory at the warehouse with a view to reduce certain item quantities; and
- Improving the Town's Purchasing Card system with greater scrutiny and reporting.

Chair Moore then recognized Mayor Coniglio and Councilmember Lindsay in the audience.

Discussion ensued regarding the change of the Purchasing thresholds.

Mr. Kleid commented that sometimes items are removed from the Consent Agenda, not due to the cost, but because of the timing of some projects especially engineering and capital improvement projects.

Chair Moore agreed with Mr. Kleid that the proposed threshold of $65,000 for council review would cause some angst among members of the Council. She commented that a lower number would probably be more appropriate.

Chair Moore requested that the new program be included in the back-up for the next Town Council meeting. In response to Ms. Struder, Chair Moore said she personally was not in agreement with the proposed threshold of $65,000 but was more agreeable to $49,999.

Mr. Kleid asked the Town Manager his thoughts on the new threshold. Mr. Bradford responded that he was delighted with the way the process is being streamlined. He explained that the $25,000 threshold was set about 15 years ago and with inflation that figure was probably about $35,000 to $50,000. He thinks this revision is long overdue and this will now lead to training sessions for various department personnel in negotiating contracts. He was fine with either figure of $50,000 or $64,999.

Chair Moore commented that if Mr. Bradford believed this change in threshold was needed he should have brought it to the attention of the Town Council earlier. Mr. Bradford responded that he had no way of articulating it in a proper fashion to show that the current process was archaic until the new Purchasing Manager was hired and a review of the purchasing process was carried out.

It was the consensus of the Finance and Taxation Committee to bring the matter of the following thresholds before the next Town Council meeting for review.

- **Up to $34,999 – Purchasing Manager**
- **$35,000 to $64,999 – Town Manager**
- **$65,000 and up – Town Council**

VI. ANY OTHER MATTERS – *None*

VII. ADJOURNMENT

There being no further business, the Finance and Taxation Committee meeting of Thursday, October 12, 2017, was adjourned at 2:23 p.m.

APPROVED:

Danielle H. Moore
Chair

ATTEST:

Kathleen Dominguez
Town Clerk

11/15/17
Date