

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Financial Services Department

**AGENDA DATE:** April 10, 2012

**CONTACT PERSON/PHONE:** Carmen Arrieta-Candelaria, Financial Services (915) 541-4011

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

Formal report of the Finance, Internal Audit, Engineering/CIP and Management Services Legislative Review Committee meeting held on March 15, 2012, at 1:00 p.m. in Council chambers. The report is being submitted by LRC Chair, Representative Carl Robinson.

**BACKGROUND / DISCUSSION:**

The following items were on the agenda:

1. Approval of Minutes for the Finance, Internal Audit, Engineering/CIP & Management Services meeting of January 26, 2012.
2. Discussion and action on the policy and procedures for exercising options pertaining to City contracts for goods and services.

**PRIOR COUNCIL ACTION:**

N/A.

**AMOUNT AND SOURCE OF FUNDING:**

N/A

**BOARD / COMMISSION ACTION:**

N/A.

\*\*\*\*\*AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**

Carmen Arrieta-Candelaria



**LEGISLATIVE REVIEW COMMITTEE**  
**Meeting Action Report**

---

Committee: Finance, Internal Audit, Engineering/CIP and Management Services

Members Present: Representative Carl L. Robinson (Chair)  
Representative Eddie Holguin Jr.  
Representative Steve Ortega

Members Absent: Representative Michiel R. Noe

Staff Assigned: Carmen Arrieta-Candelaria, CFO – Financial Services Department

Meeting Date/Time: Thursday, March 15, 2012 – 1:00 p.m. – 3:00 p.m.

---

1. Approval of Minutes for the Finance, Internal Audit, Engineering/CIP & Management Services meeting of January 26, 2012.

**Action Taken:** Representative Steve Ortega moved to approve the minutes. Motion was seconded by Representative Eddie Holguin Jr. and approved unanimously.

2. Discussion and action on the policy and procedures for exercising options pertaining to City contracts for goods and services.

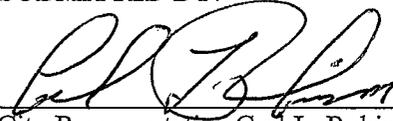
---

**Summary:** Mr. Bruce D. Collins gave a presentation on contract options at the City of El Paso. The presentation and subsequent discussion covered the following issues:

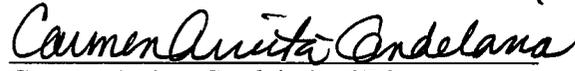
- Future use of contract options in City contracts.
- Option Analysis proposed by Purchasing Division as a standard operating procedure to be used by City staff when recommending that an option be exercised.
- Key considerations for the future.
  - Increase length of City contracts to five years with no option.
  - Exercise contract options administratively once delegation of authority is approved by City Council.
- Change order discussion scheduled for subsequent LRC.
- Plan for major purchases to include IT purchases scheduled for subsequent LRC.

**Action Taken:** Representative Ortega made a motion to present a standardized procedure for exercising contract options to the Council as a whole, with the options analysis, for recommending options by staff to the Council. Motion was seconded by Representative Holguin and approved unanimously.

SUBMITTED BY:



City Representative Carl L. Robinson, District 4  
LRC, Chair



Carmen Arrieta-Candelaria, CFO  
Financial Services Department