

Minutes of the Proceedings of the City Council of the City of Champlin in the County of Hennepin and the State of Minnesota
Pursuant to Due Call and Notice Thereof

Worksession
January 25, 2010
Municipal Center

- Call to Order The Champlin City Council met in a Worksession and was called to order by Mayor Mark Uglem at 6:30 p.m.
- Roll Call Present were Mayor Mark Uglem, Councilmembers Eric Johnson, Julia Whalen, ArMand Nelson and Greg Payer.
- Absent: none.
- City Staff Attending: City Administrator Bret Heitkamp, City Clerk Roberta Colotti and City Attorney Darrell Jensen.
- Guests Attending: Joseph Strauss and David Ewald.
- Approval of Agenda Motion by Councilmember Johnson and seconded by Councilmember Whalen to approve the agenda for the January 25, 2010 Worksession as presented. Voting in favor: Mayor Uglem, Councilmembers Payer, Nelson, Johnson and Whalen. Voting against: none, whereupon said motion passed this 25th day of January, 2010.
- NMMA Cooperative
Purchasing Program Joseph Strauss stated that he and David Ewald have agreed to form a Limited Liability Company to provide administrative and management services to implement the North Metro Mayors Association (NMMA) Central Purchasing Program (CPP), if the NMMA Board elects to hire the company.
- Mr. Strauss stated that the City of Champlin is being asked to enter into a revised Joint Powers Agreement (JPA) to participate in the CPP.
- The City Administrator presented a sample Letter of Understanding and resolution that would also be required to enter into the agreement.
- The City Attorney stated that at issue was a possible conflict of interest of having the Mayor serve in an administrative capacity in the CPP. He stated that when he was first approached about this matter it was presented that the Mayor would be working for NMMA coordinating the CPP. That would be a conflict of interest. However, he has since been advised that the Mayor would be serving in a voluntary capacity.
- The City Attorney stated that there are two considerations with conflict of interest issues the first is the law which prohibits actual conflicts of interest the other is the adopted City policy which prohibits the appearance of a conflict of interest. By serving in a voluntary capacity now there would be no conflict of interest. However, if the Mayor is serving voluntarily today in order to establish himself for a future position with the company after he leaves public office, then that would still be a conflict of interest. The Mayor would be personally liable (Gross Misdemeanor) for a violation of the conflict of interest law and as a result the City Attorney wanted to make him aware of the regulations. In addition any contracts the City entered into in violation of the conflict of interest laws could be voided. He stated that while the Mayor is now stating that he will not take future employment with the company, the perceived conflict of interest may still exist and that the City Council must consider this in relation to the City policy.
- Mr. Strauss presented a signed affidavit stating that Mr. Uglem's participation in helping NMMA in the CPP effort would be done as a volunteer and without compensation. Mr. Uglem, in his role, has offered to provide his professional advice, recommendations, his time, travel, and knowledge to the NMMA without compensation or personal benefit.
- Further stated in the affidavit, that Mr. Uglem, while serving in his role as Mayor of Champlin, is not and will not be a member or investor in the company. Thus he will not personally, directly or indirectly benefit from any voluntary work provided.

The City Attorney stated that the affidavit is a report on the current conditions, it is not binding, and it is up to the Mayor to continue to serve only as a volunteer now and in the future and to not accept compensation for his work with the company.

The City Attorney stated that the Joint Powers Agreement itself does not create a conflict of interest as there are no contracts issued as a result of the agreement; it is the subsequent contract agreements through the JPA that would create the actual conflict of interest.

Mr. Strauss stated that while the JPA has a ten year term, any of the subsequent vendor contracts would be for a maximum of two years.

Council Consensus

It was the consensus of the Council that based on the Mayor's statement that he would be serving in a voluntary capacity in the development of a CPP, which has the opportunity to provide substantial savings via a group purchasing authority, on a variety of materials, goods and services that are purchased annually by the City of Champlin and other participating cities, to forward the proposed JPA to a future Regular Council meeting for formal action. (Whalen, Johnson and Nelson in support, Payer opposed, Uglen abstained.)

Councilmember Payer stated his opposition to this position, based on the fact that while the JPA was not the authorization of an actual contract and therefore not subject to conflict of interest laws or City policies, it would lead to future contracts and those contracts would be somewhat out of the City's hands, once it was decided to purchase through the CPP, based on the JPA.

Adjourn

The Champlin City Council adjourned the Worksession at 6:55 p.m.

Mark W. Uglen, Mayor

Attest:

Roberta Colotti, CMC, City Clerk