



## Office of the City Auditor

**Date:** January 24, 2008

**To:** Deb Hermann, Chair, and Members of the Finance and Audit Committee

**From:** Gary White, City Auditor. *Gary White*

**Subject:** Support for RFP Timeline Entry

On January 23rd, the Finance and Audit Committee asked what evidence we used for the August 29, 2006 entry in our audit, *City Manager Needs to Strengthen RFP Contracting Practices*, concerning notification from the RFP consultant that she was discontinuing her consultant services.

Attached are copies of the communications from the consultant to the budget officer.

If you have any questions, please let me know.

cc: Mayor Mark Funkhouser  
Members of the City Council  
Wayne Cauthen, City Manager

Attachments

To: <troy\_schulte@kcmo.org>, <wayne\_cauthen@kcmo.org>  
cc: "Jean Lamfers" <jl@lamferslaw.com>  
From: "Mary Redmond" <mary@reviewyourlease.com> @ KCMO  
Date: 08/29/2006 02:50:52 PM EST  
Subject: Termination notification for ILR( see attached.)

Troy here is a notice that will finalize my contract and services to the City. I look forward to receiving the prompt payment of the final invoice that is attached.

An original copy will also be sent via certified mail, return receipt requested to both you and to Wayne.

Troy and Wayne, Thank you for your personal support. I have learned a great deal about working with the City.

Mary

Mary Redmond  
Independent Lease Review, Inc.  
209 W.Front Street  
Bonner Springs, KS 66012  
Phone 913-441-4108  
Cell 913-515-7779



[mary@reviewyourlease.com](mailto:mary@reviewyourlease.com) ILR082906\_Schulte\_ltr.pdf

(22)



Mary A. Redmond, President

August, 29, 2006

Troy Schulte  
City of Kansas City  
414 E. 12<sup>th</sup>,  
Kansas City, MO 64106

SENT VIA EMAIL AND ALSO CERTIFIED MAIL  
RETURN REQUESTED

Re: Perfect Output & KCMO's Document Management Processes/  
Mail Room Contract Negotiations, Subsequent to RFP, Project # 2006-OMB01  
*Notice of Termination of the Services of Independent Lease Review, Inc.*

Dear Troy:

Due to the lack of critical information provided to me post-conferencing by the negotiation meeting attendees and the initial decision by the City to circumscribe my personal participation in the one-on-one negotiations, the City's actions have made it unfeasible for Independent Lease Review to perform the functions for which the company was engaged.

J  
KAT

As you will recall, when the City told me that my company would not be in the negotiation sessions, I advised the City in writing that I would need and the City agreed to provide to me, a detailed account of each session through accurate minutes and notes. I have received limited accounts of the many meetings that were held. I have made numerous requests for the minutes and received two short meeting summaries.

Furthermore, the document I have been given to review, which apparently represents the intent of the parties at the conclusion of the negotiation process, bears no resemblance to the RFP. Without the factual background to explain or support the inconsistencies of the proposed contract with the clearly-defined terms of the RFP, the City has made it impossible for me to do what I was asked to do.

It has become abundantly clear within the past two weeks, the services of ILR are no longer desired by the City as a part of the process to put a contract in place with Perfect Output for the outsourcing of the Document Management Processes and Mail Room. Therefore, effective immediately, ILR will no longer serve as consultant for this project due to the City's failure to disclose to ILR the essential and critical information requested and needed to carry out its work.

And since I have not been a participant in the negotiation process between the City and Perfect Output, no opinion will be rendered regarding any contract for outsourcing of these services.

As for ILR's services rendered to date, I will consider my last invoice dated August 29, 2006 that is attached with this letter, to be the final invoice to the City and close my books on this chapter. I reserve all rights in the event of any future exchanges.

Sincerely,

Mary A. Redmond  
President  
Independent Lease Review, Inc.

CC: Wayne Cauthen  
Incl: Invoice # 1065-02

2296



Mary A. Redmond, President

## INVOICE

**TO: CITY OF KANSAS CITY, MISSOURI**  
 Attention: Troy Schulte, Budget Officer

Date: 08-29-06  
 Account Number: 50224  
 Invoice Number: 1065-02

**Lease Review**  
**Project No. 2006 – OMB01**  
**Contract Dated October 1, 2005**

Charges from work on Document Output  
 Management RFP between July 1, 2006 and  
 August 29, 2006.

	email down with City access problems, work with help desk. Also check that no info on meetings with PO and Purchasing. Notify City contacts that email at City no longer working. There may be emails in box there re this billing for communications prior to this date requesting updates from City contacts that are not included in this invoice.	0.75	\$150.00	\$112.50
7-11-06 and 7/12/2006				
7/18/2006	e mail re no info yet	0.50	\$150.00	\$75.00
	renewal of contract work, emails on no updates and status	1.50	\$150.00	\$225.00
7/20/2006				
7/21/2006	contract renewal with Schulte details and Steiny emails re no minutes. Received first contract draft dated 7-16-06	0.50	\$150.00	\$75.00
7/31/2006	email to Ray Burnett re no minutes to use to review contract	0.75	\$150.00	\$112.50
8/1/2006	meeting with Vickie Steiny preparation. met with Vickie Steiny re contract. Reviewed it, also drove to meeting and back to office plus parking.	0.25	\$150.00	\$37.50
8/2/2006		1.00	\$150.00	\$150.00
8/3/2006	Water Dept Audit from 1997 arrived at my office from Ray Burnett. Brief scan. Prepared questions for why I had this and what did it have to do with the RFP in my contract	3.25	\$150.00	\$487.50
8/4/2006	emails re minutes and audit was sent for review or what?	1.75	\$150.00	\$262.50
8/7/2006	request for minutes and why did I receive the Audit. Read more of audit	1.25	\$150.00	\$187.50
8/14/2006	many emails and review of contract draft after first summary received	4.00	\$150.00	\$600.00
8/22/2006		8.00	\$150.00	\$1,200.00

8/23/2006	second draft received, read minutes and found nothing about new meetings that had been held on 8-11, 8-15, 8-16 and 8-17 with Perfect Output	6.00	\$150.00	\$900.00
8/25/2006	Read some of second draft and make notes	3.00	\$150.00	\$450.00
8/28/2006	draft final invoice and summary of exit letter	1.50	\$150.00	\$225.00
<b>TOTAL</b>	<b>Total Hours</b>	<b>34.00</b>	<b>\$150.00</b>	<b>\$5,100.00</b>

(Page 2 of 2)

Please make all checks payable to Independent Lease Review and include account number and invoice number on check.

*Terms: As per the terms defined and mutually agreed to in the Independent Lease Review, Inc. Document Review Agreement. Final payment is due upon the receipt of this invoice. Invoices over 15 days are subject to a minimum \$75.00 late charge.*