

Date: June 7, 2016

FOR YOUR INFORMATION MEMO

To: Mayor and Members of City Council
From: Harry Black, City Manager **HB**
Subject: MSD Review

In February, pursuant to Article II, Section 3 of the Administrative Code, I initiated an independent investigation into alleged irregularities concerning past management and procurement practices of the Metropolitan Sewer District (MSD).

The special investigation team, led by former Assistant City Manager and Finance Director Bill Moller and Jim Goetz, a private sector audit expert and member of City Council's Internal Audit Committee, has completed their work. The attached report outlines the scope of the review, findings and recommendations.

The City Administration has preliminarily reviewed these findings and intends to implement any and all recommendations stemming from this report. Some recommendations have already been implemented.

At 2 pm today in room 115 of City Hall, a briefing with the press about the content of the report and recommendations will occur.

Additionally, the report findings and recommendations will be presented at an upcoming Rules and Audit Committee of City Council.

I want to express my appreciation to the independent special investigation team, the Law Department and the current and past MSD employees for their cooperation and assistance with this review.

I am confident that we have taken the necessary steps in terms of management and business practices changes that are leading to a more effective, and efficient MSD.

Attachment