
Agenda Item

Schooley Mitchel Savings Evaluation

Meeting Date

September 9, 2025

Prepared By

Leaha M. Jackson, City Administrator

Background

I appreciate you having me present to council. To follow up on a few questions or concerns that council brought up.

1. We do not share any sensitive information. Majority of the time we don't even look at sensitive information we are just reviewing invoices from your vendors.
2. Tim brought up a concern regarding the 36-month agreement. It's highlighted in the service agreement, but all it says is it give us the opportunity to present you with our recommendations. The city of Hinckley is always in the driver's seat, so you get final approval. Also, if we recommend a vendor and say that a year in customer service isn't up to your standards, we don't hold you to that vendor; we will find a better solution for the city.

It's pretty simple, it really just says:

1. **That you want me to do this.**
2. **That you are going to give me the records I need to do my work** – which is essentially your invoices over the term of the agreement, as well as any letters of authorization so we can speak to vendors on your behalf.
3. **That you get last call on go-or-no-go** – you will always get the final decision on any of our recommendations before any changes are made.
4. **It describes how we calculate things** – we will receive 50% of the savings found, billed monthly, over the term of the agreement – all savings will be calculated based on what you are currently paying when you sign the agreement.
5. **It says you will not take advantage of me** – as I mentioned you will get the final say on any of our recommendations – but should you decline any recommendations you cannot go ahead and implement those options behind our back.

Some of the other cities Schooley Mitchell has worked with and their feedback:

Delano- Yes, we are very satisfied with their services. I sat down with them to go over different areas of City services and costs. Together we identified a couple of areas we thought that they could help us save money. I supplied them with the costs the City was incurring for those services and they came back with a report of

what savings they found. The one we contracted them for was our credit card processing fees at our Liquor Store. They managed to save us from \$2,000 to \$3,200 per month in credit card fees. Our agreement with them is that we would pay them half of our savings. It has worked out well.

Stacey Wines & Spirits- They were good to work with and found savings when they didn't think they could get them any lower. This was done without having to change their credit card processor. Schooley Mitchell was able to find savings of over \$6,000.00 a year. It was one of the most painless processes they have ever done.

Monticello- Good experience. Schooley Mitchel only looked at the Cintas and Aramark contracts but due to just signing with the vendors, they were not able to negotiate any additional savings. Will use them in the future to evaluate other service agreements.

Recommended Action

Approve 36-month service contract with Schooley Mitchell.

Council Action: Motion by: _____ Second by: _____

Motion to:

Voted in Favor: _____ Voted Against: _____

Approved: _____ Denied: _____ Tabled: _____ No Action: _____