



**TOWN OF MILLIKEN
TOWN BOARD OF TRUSTEES
AGENDA MEMORANDUM**

To: Mayor Tokunaga and Town Board of Trustees	Meeting Date:
From: Kent Brown, Town Administrator	Wednesday, February 25, 2015

Agenda Item #	Action: X	Discussion:	Information:
Agenda Title: Consideration of Conflict of Interest on Previous Board Action at January 28, 2015 meeting			
Attachments: Attorney's letter			

PURPOSE

To review and consider any actions necessary due to allegations of conflict of interest and ethics violations resulting from the award of a contract for building inspection services at the Board's meeting on January 28, 2015.

BACKGROUND

At the Board's request, a request for proposal to provide building department services for the Town of Milliken was prepared and advertised. The Town received ten requests for the RFP and four (4) formal proposals were received by the November 21, 2014 deadline. After an interview process was conducted and a staff recommendation presented, the Board of Trustees awarded the contract for building inspection services to ProCode, Inc. on January 28, 2015. Jonathon Gesick, President of ProCode, Inc. took office and starting providing services to the Town on February 2, 2015.

The Town had been contacted by several contractors and the attorney representing SAFEbuilt Colorado regarding a conflict of interest for Trustee Ken Kidd. The allegations include that there are several connections between Jonathan Gesick of ProCode, Inc. and Trustee Kidd and that there was no disclosure of those connections made before or during the meeting that awarded the contract.

BUDGET IMPLICATIONS

Not Applicable.

RECOMMENDATION

See Town Attorney Memorandum.

SUGGESTED MOTION

No suggested motion. Board members may move to have Board take specific action based upon a consensus of the Board.



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February 10, 2015

VIA EMAIL: BERTHOUDLEGAL@GMAIL.COM

R. Bruce Fickel, Esq.
 343 East State Highway 56
 Berthoud, CO 80513

Dear Mr. Fickel:

Confirming our previous conversation, I represent SAFEbuilt Colorado and its related companies. This letter is to you in your capacity as the attorney for the Town of Milliken, Colorado. My client appreciates the opportunity that it has had to provide Milliken with building department services and would like to thank the Town Board of Trustees (the "Board") for that opportunity.

On Wednesday, January 28, 2015, the Board held a meeting to consider an agreement that for building department services through 2015. SAFEbuilt Colorado had submitted a response to an RFQ in connection with the opportunity to provide building department services to the town. A member of SAFEbuilt Colorado was present at the Board meeting as an observer to the process and to answer any questions asked by the Board of SAFEbuilt Colorado if necessary. A vote was taken by the Board and it awarded the service contract to ProCode Inc.

There are underlying facts that are troublesome in this case. ProCode is managed by Jonathan Gesick, its president. We would note that Mr. Gesick is vice president of another entity in the industry, Colorado Inspection Connection Inc., which is managed by Ken Kidd, its president. The websites of ProCode and Colorado Inspection Connection, we'd note, are substantively similar in design and content but for the company names and some minor portions of the content. They appear to have been developed collaboratively.

Mr. Kidd is also a member of the Board and participated in, and voted for, the selection of ProCode. No disclosure concerning Mr. Kidd's involvement with Mr. Gesick was made at the meeting. Given Mr. Gesick's involvement in both ProCode and Colorado Inspection Connection, the similarity between the websites and services of both companies, Mr. Kidd's relationship with Mr. Gesick, the lack of disclosure concerning their relationship, and Mr. Kidd's participation in the Board vote on the matter, there appears to be a potential conflict of interest in the matter to which we'd like to draw to your attention. SAFEbuilt Colorado is no longer seeking award of the service contract and its current interest in the matter is limited to ensuring that these decisions are made on a level playing field, without the appearance

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of any impropriety. We expect that this matter will be handled directly by the Board or town administration.

Please contact me at your convenience if we may provide additional information or be of further assistance to the town or the Board.

Sincerely,

A handwritten signature in black ink, appearing to read "SRO", followed by a horizontal line extending to the right.

Sean R. Odendahl