AUDIT & ACCOUNTABILITY COUNCIL COMMITTEE
MEETING MINUTES
NOVMBER 17, 2020 at 10:00 AM
VIDEOCONFERENCE

Committee Present:	Councilmember John Courage, *District 9, Chair* Councilmember Ana Sandoval, *District 7* Councilmember Clayton Perry, *District 10*
Committee Absent:	Citizen Member Judy Treviño Citizen Member Priscilla Soto
Staff Present:	Maria Villagómez, *Deputy City Manager;* David McCary, *Assistant City Manager;* Ray Rodriguez, *Deputy City Attorney;* Tina Flores, *City Clerk;* Kevin Barthold, *City Auditor;* Ben Gorzell, *Chief Financial Officer;* Christopher Monestier, *Deputy Fire Chief, SAFD;* Craig Hopkins, *Chief Information Officer, Information Technology Services;* Patsy Boozer, *Chief Security Officer, Information Technology Services;* Razi Hosseini, *Director, Public Works;* Alejandra Lopez, *Director, Economic Development;* Christie Chapman, *Assistant Director, Public Works;* Mark Bigler, *Audit Manager;* Norbert Dziuk, *Assistant Director of Finance;* Nancy Cano, *Office of the City Clerk*
Others Present:	None

CALL TO ORDER

Chairman Courage called the meeting to order.

Public Comment

None

CONSENT AGENDA

Pre-Solicitation High Profile Items

1. **Citywide Outside and In-Building Plant, Vertical and Horizontal Cabling** [Ben Gorzell, Chief Financial Officer; Craig Hopkins, Chief Information Officer, Information Technology Services]

2. **Natural Creekway Maintenance** [Roderick Sanchez, Assistant City Manager; Razi Hosseini, Director, Public Works]

Post-Solicitation High Profile Items

3. **Paging Modernization** [Carlos Contreras, Assistant City Manager; Jesus Saenz, Director, Aviation]

4. **Specialized Air Conditioning Maintenance and Repair for IT Spaces** [Ben Gorzell, Chief Financial Officer; Craig Hopkins, Chief Information Officer, Information Technology Services]

5. **On-Call Citywide Traffic Signal Optimization** (Congestion Mitigation and Air Quality Improvements Program) [Roderick Sanchez, Assistant City Manager; Razi Hosseini, Director, Public Works]

6. **Woodlawn Lake Multi-Generational Center** [Roderick Sanchez, Assistant City Manager; Razi Hosseini, Director, Public Works]

Final Internal Audit Reports

7. **AU20-002 Audit of Animal Care Services Drug Inventory Management**

Councilmember Perry to approve Items 1-7. Councilmember Sandoval seconded the motion. The motion carried unanimously by those present.

ITEMS FOR INDIVIDUAL CONSIDERATION

Pre-Solicitation High Profile Briefings

8. **Web-Based Uniform Commissary System** [María Villagómez, Deputy City Manager; Charles N. Hood, Fire Chief]

Deputy Chief Christopher Monestier reported that SAFD sought to contract a vendor to provide and maintain uniforms that meet and/or exceed the current SAFD requirements as well as track employee's individual uniform allotment per fiscal year. He indicated that the qualified vendor would provide a real-time web-based commissary for uniform personnel to purchase uniform items (e.g. duty boots, dress uniforms, work attire, pants, shirts, outerwear, and personal tools). He stated that the current contract would expire on September 10, 2021 and the estimated contract value was $6.95 million for a five-year term with two, one-year renewal options. He noted that the annual contract value would include an allotment of $500, per the collective bargaining agreement, for each of the 1,766 authorized firefighter positions with additional annual purchases for new cadets, badges, and uniform embellishments for promotions. He cited evaluation criteria and solicitation requirements, evaluation voting committee members, and mentioned that 73 vendors would be notified. He provided a timeline with a potential City Council consideration date of June 3, 2021 and a contract start date of October 1, 2021.

Councilmember Sandoval requested information on the current vendor, asked if the lowest bid would be accepted, and asked if outreach could be made to local, qualified companies. She noted that there was a creative opportunity to grow local jobs during COVID-19 through subcontracting requirements. Chief Monestier replied that the City was currently contracted with Galls which was a nationwide public safety equipment and uniform retailer based in Kentucky. He added that Galls had a local storefront with an area dedicated for firefighters to service their needs, which was a contract requirement. Ben Gorzell replied that vendor selection would be based on scoring criteria and not by lowest bid. He noted that an 11% subcontracting goal was applied. Alex Lopez added that the subcontracting expectation could be met through different component pieces of the contract or through the storefront requirement. Chief

Monestier noted that the local storefront had one, full-time employee dedicated to SAFD customers. He stated that he would provide a detailed inventory of uniform purchase history.

Chairman Courage asked if there were other nationwide uniform companies that had bid for this package in the past and would be available to bid again. Chief Monestier replied that web-based shopping was a popular business model and he anticipated bids from qualified vendors. He anticipated that some vendors would need extra set up time to design online ordering specifically for SAFD. Mr. Gorzell stated that a pre-submittal conference would be held in mid-December 2020 and local storefront requirements would be explained to the bidders.

9. **Job Order Contracting Program** [Roderick Sanchez, Assistant City Manager; Razi Hosseini, Director, Public Works]

Christie Chapman reported that the Public Works Department sought to contract with qualified firms interested in providing job order contracting for various projects for the City, including but not limited to: incidental demolition, construction, repair, rehabilitation, alteration, and deferred maintenance on City owned, leased buildings, or other facilities of interest to the City. She stated that the current contract would expire in March 2021 with a one-year option to extend. She noted that the overall estimated contract value for was $63 million for a one-year initial term with two, one-year options to extend. She cited evaluation criteria and solicitation requirements, and mentioned that 309 vendors from the Central Vendor Registry would be notified, with a weekly targeted outreach base of 2,000 vendors. She provided a list of evaluation voting committee members and noted that three members were from outside organizations to offer different insights to the evaluation process. She provided timeline information with a potential City Council consideration date of May 6, 2021 and a contract start date of June 2021.

Chairman Courage asked of the alternative for job order contracting. He asked how the quality of work was graded for job order contracts. Ms. Chapman noted that it provided the easiest availability to execute a minor project fairly quickly without having to individually solicit for that project. Mr. Razi Hosseini added that job order contracting saved money because the City did not have to design the project, nor pay for advertising. He stated that contractors had established working relationships with the City departments and project managers that they previously worked with and were already familiar with department functions. He reported that several types of bids were accepted for job order contracts as it benefitted the task. He noted that low bid contracts were mostly for building facilities projects and the feedback was positive. He stated that if negative feedback was received, the job contractor would not be selected for future projects.

Councilmember Perry voiced concern that the proposed term of one year with two option years was too short, given the lengthy solicitation process. He asked if the contracting term could be extended and suggested that price fluctuation protective clauses could be added to the contracts. He recommended that the number of awarded contracts be disclosed to potential vendors and that 15 or 20 points be issued for past performance. Mr. Hosseini concurred that a longer contract would avoid frequent solicitations, but that it would also eliminate the ability for new and upcoming contractors to bid on this contract for another five years. He reported that construction material prices were unpredictable and higher construction material prices could be set at the beginning of the contract only to decrease in later years with the City then forced to pay higher prices per the terms of lengthier contracts. He stated that consideration would be given as to the amount of past performance points that could be awarded.

Chairman Courage noted that the current contract would be extended through March 2021 which would allow for the proposed job order contract to be revised in accordance with the Committee's input and requested that it be revised and bought back to the Committee next month.

Post-Solicitation High Profile Briefings

10. Citywide Security Systems Installations and Support [Ben Gorzell, Chief Financial Officer; Craig Hopkins, Chief Information Officer, Information Technology Services]

Craig Hopkins reported that the Information Technology Services Department (ITSD) issued a RFP on March 23, 2020 to contract with a manufacturer-certified and experienced Security System Integration Contractor to provide premise access control, video surveillance, intrusion alarm system installations, preventative maintenance, service, and support at various City facilities. He stated that 110 City locations featured Hirsch Electronics Corporation access control infrastructure, 102 City locations featured Genetec security infrastructure, and providers would need specific technical qualifications, certifications, and credentials to service these two specific vendors.

Mr. Hopkins reported that the current contract would expire in March 2021 with a one-year option to extend. He noted that the overall estimated contract value for the contracts was $4.6 million annually/$23 million total for a proposed term of three years with two, one-year options. He cited evaluation criteria and solicitation requirements, and reported that 3,540 vendors were notified, 22 vendors attended a pre-submittal conference, and 3 responses were received. He added that a Due Diligence Review reported no material findings for Vendor A which was the clear winner. He stated that a City Council consideration date was scheduled for December 17, 2020.

Chairman Courage expressed his surprise that at least a dozen major companies did not bid for the contract and asked if it was due to the size of the contract. Mr. Hopkins stated that contract was fairly sized but that the need for specific qualifications narrowed down the amount of bidders. He reported that the selected vendor achieved a significant 97% rating out of 100% and also met the extra level of background certification needed to enter the City's facilities.

Councilmember Sandoval moved to approve Item 10. Councilmember Perry seconded the motion. The motion carried unanimously by those present.

Audit Plan

11. FY 2021 Annual Audit Plan Status as of October 31, 2020

Mr. Barthold reported that an unusually high number of audits came forward from the previous FY 2020 plan into the FY 2021 plan due to the significant amount of time needed to focus on the City's COVID-19 response projects. He stated that the goal was to complete the audits by January or February 2021.

Chairman Courage noted that Audit staff were working remotely and may not have access to on-site resources. Mr. Barthold reported that in some instances auditors needed to work on-site and did so by closely coordinating with departments they visited and exercised all necessary precautions. He noted that remote electronic access assured there were no impediments to retrieving and processing data.

Councilmember Perry asked if workforce training and CARES Act funding were added to the FY 2021 Annual Audit Plan. Mr. Barthold replied that the first four scheduled audits on the list were related to CARES Act funding and workforce development training.

Citizen Member Soto entered the meeting at this time.

EXECUTIVE SESSION

Chairman Courage recessed the meeting into Executive Session at 11:23 am to discuss the following:

12. **Deliberate the following Information Technology Services Department security audits pursuant to Texas Government Code Section 551.076, deliberation regarding security devices or security audits:**

    - AU19-020 Audit of ITSD Data Loss Prevention
    - AU19-019 Audit of ITSD SA Free Wi-Fi Use by City Employees
    - AU20-020 Audit of ITSD Cloud Security

RECONVENED

Chairman Courage reconvened the meeting at 11:47 am and announced that no action was taken in Executive Session.

Councilmember Perry moved to approve Item 12. Councilmember Sandoval seconded the motion. The motion carried unanimously by those present.

Adjourn

There being no further discussion, Chairman Courage adjourned the meeting at 11:50 am.

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John Courage, Chairman

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Nancy Cano, Office of the City Clerk

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