

**AUDIT & ACCOUNTABILITY COUNCIL COMMITTEE
MEETING MINUTES
MAY 18, 2021 at 10:00 AM
VIDEOCONFERENCE**

Committee Present:	Councilmember John Courage, <i>District 9, Chair</i> Councilmember Ana Sandoval, <i>District 7</i> Councilmember Clayton Perry, <i>District 10</i> Citizen Member Priscilla Soto
Committee Absent:	Citizen Member Judy Treviño
Staff Present:	Alex Lopez, <i>Assistant City Manager</i> ; Jeff Coyle, <i>Assistant City Manager</i> ; Roderick Sanchez, <i>Assistant City Manager</i> ; Andy Segovia, <i>City Attorney</i> ; Ray Rodriguez, <i>Deputy City Attorney</i> ; Kevin Barthold, <i>City Auditor</i> ; Troy Elliott, <i>Deputy Chief Financial Officer</i> ; Razi Hosseini, <i>Director, Public Works</i> ; Anthony Chukwudolue, <i>Deputy Director, Public Works</i> ; Christie Chapman, <i>Assistant Director, Public Works</i> ; Ana Bradshaw, <i>Assistant Director, Economic Development</i> ; Michael Sindon, <i>Administrator, Economic Development</i> ; Michael Shannon, <i>Director, Development Services</i> ; Amin Tohmaz, <i>Assistant Director, Development Services</i> ; Aurora Perkins, <i>Deputy City Clerk</i> ; Gabriel Trevino, <i>City Auditor's Office</i> ; Baltazar Vargas, <i>City Auditor's Office</i> ; Mark Bigler, <i>City Auditor's Office</i> ; Phil Laney, <i>Development Services</i> ; Victoria Shum, <i>City Attorney's Office</i> ; Kevin Orton, <i>City Manager's Office</i> ; Lauron Fischer, <i>City Manager's Office</i>

CALL TO ORDER

Chairman Courage called the meeting to order at 10:04 am.

1. Approval of minutes from the Audit and Accountability Committee meeting on April 20, 2021.

Councilmember Perry moved to approve the Minutes of the March 16, 2021 Audit and Accountability Council Committee Meeting. Chairman Courage seconded the motion. The motion carried unanimously by those present.

Public Comment

None.

CONSENT AGENDA

Pre-Solicitation High Profile Items

2. On-Call Advertising & Marketing Services for the San Antonio Airport System [Jeff Coyle,

Assistant City Manager; Jesus Saenz, Director, Aviation]

3. On-Call Environmental Professional Consulting Services [Roderick Sanchez, Assistant City Manager; Razi Hosseini, Director, Public Works]

Post-Solicitation High Profile Items

4. Dangerous Premises Abatement Lot Clearing and Securing of Structures [Roderick Sanchez, Assistant City Manager; Michael Shannon, Director, Development Services]
5. Architectural Services for Alamodome Improvements [Roderick Sanchez, Assistant City Manager; Razi Hosseini, Director, Public Works]

Deputy Financial Officer Troy Elliott clarified that previously Item 5 had been heard by the Committee under the name of Architectural Service for the NCAA Final Four for 2025. He noted that staff thought it would be better and more transparent to change the name to what was shown on the agenda as Architectural Services for the Alamodome Improvement.

Citizen Member Soto moved to approve Items 2-5. Councilmember Perry seconded the motion. The motion carried unanimously by those present.

ITEMS FOR INDIVIDUAL CONSIDERATION

6. AU20-038 Audit of Public Works Department Pavement Condition

City Auditor Kevin Barthold stated that the audit performed was of the Public Works Pavement Condition Index (PCI) scoring and specifically the Infrastructure Management Program (IMP) and how costs were allocated for the Public Works Department's Pavement Improvement Program.

Mr. Barthold noted that in 2016-2017 the City Auditor's Department had conducted an analysis of the PCI scoring process by Council District. He stated that as a result, Councilmember Gonzales requested that a conversation be held to better allocate funding under the IMP to be proportionate by Council District based on the size of the District, the District's street network and condition of the street (PCI score). Mr. Barthold noted that a PCI score was rated between 0-100 with 100 being the best and zero being a failed street.

Mr. Barthold stated that the audit was to be conducted three years after the program was implemented as designed and compared PCI scores for 2016 and 2019, respectively. Mr. Barthold noted that the audit focused on the financial funding sources and equation associated with the IMP and did not look at other funding sources that fell under the Bond Program and capital projects for street improvements.

Mr. Barthold stated that the audit determined that the Public Works Department did consider both the size of the Council District street network and the condition of the streets to determine funding allocations for pavement projects. He noted that there had been improvements to the overall PCI scores of streets Citywide in all Districts except District 4 between 2016 and 2019. He stated that the Public Works Department's goal was to obtain a minimum score of 70 for all streets.

Mr. Barthold stated that his office had no recommendations under the audit which was more of an analysis of the IMP process.

Councilmember Sandoval stated that she had discussed the audit with Mr. Barthold and recommended that the document be adopted with an amendment clarifying that the IMP was not the sole source of funding nor the sole reason for improvements in pavement conditions. Mr. Barthold stated that he would work with the Public Works Department to develop and add a memo that clarified the source of funding for projects analyzed.

Mr. Hosseini clarified that the Public Works Department had performed significant improvements to roadway conditions under the Bond and Capital Improvement Programs and had data to demonstrate. He added that he would work with Mr. Barthold to provide needed data.

Councilmember Sandoval clarified that the data Mr. Hosseini referenced was not relevant to the current audit and while important would change the current audit scope. Mr. Barthold agreed with Councilmember Sandoval and noted that the memo would clarify the audit scope and not any additional street concrete projects utilizing other funding sources.

Councilmember Sandoval moved to approve Item 6. Councilmember Perry seconded the motion. The motion carried unanimously by those present.

7. FY 2021 Annual Audit Plan Status Update [Kevin Barthold, City Auditor]

Mr. Barthold reviewed a Gantt chart that illustrated the schedule of audits to be conducted in FY 2021. He noted that the chart was updated monthly and provided to the Committee for review.

Mr. Barthold noted that so far this year, the Audit Department had issued 17 audit reports with another eight reports in either management response or reporting phases. He added that the department was reviewing several processes associated with the COVID-19 response initiatives and active engagements specifically related to the Housing Assistance Program, workforce development projects under the Economic Development Department and other programs under the Metro Health Department. Mr. Barthold stated that the FY 2021 goal was to issue 36 audit reports.

Chairman Courage asked that the Gantt chart be provided to the Committee for reference. Mr. Barthold said that he would provide the six-page document to the Committee and noted that it was also available on the department's website.

Councilmember Sandoval noted that it appeared that some of the audits were going into the next fiscal year and asked if that would limit the Committee's ability to audit scope of work. Mr. Barthold stated that the audit plan was a rolling plan that was not cut off by calendar or fiscal year and it was common to roll audits into the next fiscal year. He added that the goal of the department was to start the identified audits in the current fiscal year.

Chairman Courage stated that all agenda items had been addressed and asked if the Committee Members had any items to be addressed at the next meeting.

Councilmember Perry noted that while Item 2 had been approved by the Committee he still had reservations about spending \$6 million on an advertising campaign for airport travel. He stated that he would have conversations with the Aviation Department leadership prior to the Item coming to the full City Council for approval.

Councilmember Sandoval asked that a future audit be conducted on high profile contracts that award several contractors work under one contract such as done for public works, financial services, underwriting services, and other services. She noted that while the City Council reviewed the solicitation process, it did not review the process for allocation of individual projects aboveboard or awarded to one contractor over another. She asked that this be a possible audit topic to consider in the future.

Chairman Courage noted his agreement with Councilmember Sandoval's request and asked Mr. Barthold to develop a plan of review.

Citizen Member Soto asked if future Committee meetings would still be conducted virtually or would move back to live meetings. Chairman Courage stated that he anticipated moving back to live meetings but that a final decision had not been made.

Adjourn

There being no further discussion, Chairman Courage adjourned the meeting at 10:31 am.

John Courage, Chairman

Aurora Perkins, Office of the City Clerk