

# City of San Antonio



## Minutes

### Audit and Accountability Committee Meeting

#### 2021 – 2023 Council Members

Clayton Perry, Dist. 10

Jalen McKee-Rodriguez, Dist. 2

Manny Pelaez, Dist. 8

Judy Treviño, Citizen Member

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**Friday, June 3, 2022**

**11:00 AM**

**Municipal Plaza Building**

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**Members Present:** Clayton Perry, Chair  
Jalen McKee-Rodriguez, Member  
Manny Pelaez, Member  
Judy Treviño, Citizen Member

**Members Absent:** None

#### Approval of Minutes

#### 1. Approval of minutes from the March 18, 2022 Audit and Accountability Meeting

Councilmember moved to Approve the minutes from the March 18, 2022 Audit and Accountability meeting. Citizen Member Judy Treviño seconded the motion. The motion carried unanimously.

#### Public Comments

There were no public comments.

#### CONSENT AGENDA

#### Post-Solicitation High Profile Items

- #### 2. Approval to proceed with scheduling one contract for City Council consideration to provide the Convention & Sports Facilities Department with an annual contract for Custodial and Supplemental Conversion Services at the Henry B. Gonzalez Convention Center in

**the estimated total value of \$6,500,000.00 for 3 years with 2, 1-year options to renew.**

[Alejandra Lopez, Assistant City Manager; Patricia Muzquiz Cantor, Executive Director, Convention & Sports Facilities]

Councilmember McKee-Rodriguez moved to Approve on the Consent Agenda. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye:** Perry, McKee-Rodriguez, Pelaez, Treviño

- 3. Approval to proceed with a contract for City Council consideration to provide the Aviation Department with an Electronic Video Information Display System for the San Antonio International Airport for the estimated total value of \$750,000.00 for a term of 5 years after implementation with 2, 1-year options to renew** [Jeff Coyle, Assistant City Manager; Jesus H. Saenz, Jr., Director, Aviation]

Councilmember McKee-Rodriguez moved to Approve on the Consent Agenda. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye:** Perry, McKee-Rodriguez, Pelaez, Treviño

#### **Final Internal Audit Reports**

- 4. Acceptance of the Office of the City Auditor Report AU21-007 of the Human Resources Department's Controls Related to Remote Working** [Kevin Barthold, City Auditor]

Councilmember McKee-Rodriguez moved to Approve on the Consent Agenda. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye:** Perry, McKee-Rodriguez, Pelaez, Treviño

- 5. Acceptance of the Office of the City Auditor Report AU21-014 of the Finance Department's Purchasing Division Procurement Electronic Submissions** [Kevin Barthold, City Auditor]

Councilmember McKee-Rodriguez moved to Approve on the Consent Agenda. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye:** Perry, McKee-Rodriguez, Pelaez, Treviño

- 6. Acceptance of the Office of the City Auditor Report AU22-031 of the Municipal Court State Required Reporting** [Kevin Barthold, City Auditor]

Councilmember McKee-Rodriguez moved to Approve on the Consent Agenda. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye:** Perry, McKee-Rodriguez, Pelaez, Treviño

**7. Acceptance of the Office of the City Auditor Report AU21-017 of the Fire Department's Fleet Maintenance [Kevin Barthold, City Auditor]**

Councilmember McKee-Rodriguez moved to Approve on the Consent Agenda. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye:** Perry, McKee-Rodriguez, Pelaez, Treviño

**8. Acceptance of the Office of the City Auditor Report AU22-042 of the Solid Waste Management Department Organics Recycling Program [Kevin Barthold, City Auditor]**

Councilmember McKee-Rodriguez moved to Approve on the Consent Agenda. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye:** Perry, McKee-Rodriguez, Pelaez, Treviño

**9. Acceptance of the Office of the City Auditor Report AU21-018 of the Information Technology Systems Department Contingency Planning [Kevin Barthold, City Auditor]**

Councilmember McKee-Rodriguez moved to Approve on the Consent Agenda. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye:** Perry, McKee-Rodriguez, Pelaez, Treviño

**ITEMS FOR INDIVIDUAL CONSIDERATION**

**Pre-Solicitation High Profile Briefings**

**10. Briefing on the release of a solicitation for one or more contracts to provide the Government Affairs Department with federal consulting services in Washington, D.C. in the estimated total value of \$1,800,000.00 for 2 years with 2, 2-year options to renew, and a solicitation for one contract for federal consulting services - local liaison in the estimated value of \$270,000.00 for 2 years with 2, 2-year options to renew. [Jeff Coyle, Assistant City Manager; Sally Basurto, Director, Government Affairs]**

Ben Gorzell introduced the item and Sally Basurto, Government Affairs Director, to brief the solicitations for one or more contracts to provide the Government Affairs Department with

Federal consulting services in Washington D.C. in the estimated value of \$1,800,000 for two years with two, two-year options to renew, and a solicitation for one contract for Federal consulting services – local liaison in the estimated value of \$270,000 for two years with two, two-year options to renew. Basurto reviewed the scope of work, type of solicitation and evaluation criteria for each of the solicitations, and project timelines to include consideration by the full City Council.

Chair Perry asked how success measures would be considered for the awarded vendors. Basurto stated that the Government Affairs Department staff would determine the measures during the negotiation phase and adjust as needed based on vendor expertise. She stated that monthly reports would be required from the vendors. Chair Perry requested that the current contract performance measures be provided to the Intergovernmental Relations Committee for their review and comment.

Councilmember McKee-Rodriguez requested that outreach be expanded to other key stakeholders to gain a wider scope of respondents. Basurto stated that staff did take into consideration all possible respondents and reviewed the engagement partners included in the disbursement of imitative partners and key City of San Antonio stakeholders.

Councilmember Pelaez stated that it was important to include key stakeholders in the solicitation engagement process.

No action was required for Item 10.

### **Post-Solicitation High Profile Briefings**

- 11. Approval to proceed with scheduling one contract for City Council consideration to provide the Neighborhood and Housing Services Department with Home Rehabilitation Program Delivery with an estimated total contract value up to \$3,000,000.00 for an initial 1-year term with 2, 1-year options to renew.** [Lori Houston, Assistant City Manager; Veronica Garcia, Interim Director, Neighborhood and Housing Services Department]

Ann Eaton, Affordable Housing Administrator, provided a post-solicitation overview of the recommended award for a vendor to provide the Neighborhood and Housing Services Department with Home Rehabilitation Program delivery with an estimated value of \$3 million for an initial term of one year, with two, one-year options to renew.

Chair Perry asked for the reasons why certain vendors were considered unacceptable for the contract. Deputy Financial Officer Troy Elliott stated that the vendors did not submit complete proposals and could not be included in the final review.

Councilmember McKee-Rodriguez asked of the current level of small and minority businesses available to participate in the solicitation. Eaton stated that the information would be provided.

- 12. Approval to proceed with scheduling one contract for City Council consideration to**

**provide the Finance Department with Independent External Auditing Services for a total value of \$5,290,950.00 for an initial 3-year term with 2, 1-year options to renew.**

[Ben Gorzell Jr, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

Melanie Keaton, Assistant Finance Director, provided a briefing on the post-solicitation for independent external audit services for a total value of \$5,290,950 for an initial three-year term with two, one-year options to renew. Keaton provided an overview of the solicitation scope of work, type of solicitation, evaluation specifics and due diligence of vendors and the remaining timeline for the award.

Citizen Member Treviño asked for clarification on the SBEDA requirement. Michael Sindon, Small Business Administrator, provided clarification on the small business specifics and consideration.

### **Final Internal Audit Report**

#### **13. Acceptance of the Office of the City Auditor Report AU21-001 of the Development Services Department Accela System Release 2 Audit.** [Kevin Barthold, City Auditor]

City Auditor Kevin Barthold provided an overview of the Development Services Department's Accela System Release 2 system and discussed specifics on audit findings related to user access accounts, multiple user access issues, and inactive accounts. Barthold reviewed corrective actions taken by the Development Services Department and status of Auditor recommendations.

Chair Perry asked when the identified audit findings would be completely addressed. Michael Shannon, Development Services Department Director, stated that four findings had been completely addressed and that he anticipated the remainder of the findings would be addressed by the end of Summer 2022 and that the department was working closely with ITSD, Finance and department staff to complete the items.

Councilmember McKee-Rodriguez moved to accept the Audit results. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye: Perry, McKee-Rodriguez, Pelaez, Treviño**

#### **14. Acceptance of the Office of the City Auditor Report AU21-020 of the Metropolitan Health District's Food Service Inspection Fees and Revenue.** [Kevin Barthold, City Auditor]

City Auditor Kevin Barthold provided an overview of the internal audit conducted on the Metro Health Food Inspection Program. Barthold stated that the audit did not find any major items needing attention and reviewed recommendations made to the Food Inspection Program. Mario Martinez, Assistant Metro Health Director, stated that Metro Health staff

was working closely with Audit Department to implement the identified recommendations and provided a status of recommendation implementations and implementation completion.

Chair Perry asked for clarification on associated fees of food inspections. Martinez provided clarification of associated fees and services. Chair Perry asked if the issues with systems and processes associated with access to City systems would be addressed Citywide. Chief Financial Officer Ben Gorzell stated that City Management along with the ITSD department to address all systems and review issues.

Councilmember McKee-Rodriguez moved to accept the Audit results. Citizen Member Judy Treviño seconded the motion. The motion carried by the following vote:

**Aye: Perry, McKee-Rodriguez, Pelaez, Treviño**

### **Staff Briefing**

- 15. Briefing on the release of a solicitation for Zoll Medical Equipment to provide the San Antonio Fire Department (SAFD) with defibrillators, ventilator and ResQCPR supplies and associated accessories in the estimated total value of \$6,800,000.00 for 3 years with, 2, 1-year renewals, and a solicitation for Zoll defibrillator accessories in the estimated total value of \$5,500,000.00 for 3 years with, 2, 1-year renewals.** [María Villagómez, Deputy City Manager; Charles N. Hood, Fire Chief]

Ben Gorzell introduced the item and Fire Chief Charles Hood to provide an overview of the pre-solicitation for Zoll Medical Equipment to provide the San Antonio Fire Department (SAFD) with defibrillators, ventilators, ResQCPR supplies and associated accessories in the estimated total value of \$6.8 million; and a solicitation for Zoll defibrillator accessories in the estimated value of \$5.5 million. Hood reviewed the project and solicitation specifics, scope of specified equipment and requirements, and project timeline to include full City Council consideration.

### **Public Comment**

Jane Gonzalez, owner of MedWheels, spoke of her concerns associated with the contract sole source issues/requirements and the delivery of specified equipment to the SAFD.

Julisa Carielo spoke of her concerns with the contracts sole source and low bid solicitation requirements and asked that the small business preference be allowed to apply with Small Business Economic Development Advocacy (SBEDA) Program requirements added to the solicitation.

Floyd Wilson, founding member of the Fair Contractors Coalition, spoke in opposition of the low bid requirement of the Zoll equipment contract and the need to include small businesses on this solicitation.

## DISCUSSION

Chair Perry asked for clarification on SBEDA requirements associated with the contract and how sole source was determined to be used for the solicitation. Deputy Financial Officer Troy Elliott stated that staff had reviewed the SAFD specified requested equipment and how equipment and accessories could be sourced by the City of San Antonio and what the true need for related equipment would be during the life of the contract. Elliott reviewed the proposed plan for solicitation requirements and the State statute requirements for solicitation. Chair Perry asked if there were any other aspects to be considered for sole source solicitation. Hood stated that not having a sole source solicitation would require additional training and equipment modification and would cause a delay in services.

Councilmember McKee-Rodriguez asked how often a small business would meet the 3% range of costs for contracts. Elliott stated that he would provide that information to the Committee and clarified that the 3% requirement for low bid was a State requirement which the City followed. Councilmember McKee-Rodriguez asked for data on the percentage of low bid contract awards for local businesses, the number of small businesses that were awarded using the 3% margin and the number of businesses that were awarded contracts based on 7-10% bid range. Elliott stated that information would be provided and that the data associated with 7-10% bid range would be challenging and would require additional time to provide.

Councilmember McKee-Rodriguez spoke of the impact to small businesses such as MedWheels who had participated in previous contracts and would not be considered in the new solicitation. Councilmember McKee-Rodriguez asked for clarification on whether the City could consider more than a 3% bid range for the requested contract and consideration of the 7-10% bid range available to small businesses. City Attorney Andy Segovia stated that the City followed State statutes and could not expand to the 7-10% bid range since it would require an amendment to the current City Ordinance.

Councilmember Pelaez spoke of his concerns regarding the current solicitation and not including small business participation and asked that the solicitation be delayed including small business participation.

Citizen Member Treviño asked for clarification on the percentage requirement of small business participation on the contract. Small Business Administrator Michael Sindon clarified the SBEDA review process and application of SBEDA requirements to all City contracts.

Chair Perry asked if there had ever been a low bid contract on equipment. Elliott stated that these were best value contracts and Hood confirmed that this was the preferred equipment by the SAFD. Elliott reviewed the debundling opportunities available to small businesses and what Zoll Medical Equipment allowed for accessories purchase. Gorzell stated that additional conversations could be held on how to possibly debundle certain equipment but that a special meeting would be needed to meet the solicitation timeline requirements. Segovia stated that further review and

discussion was needed to address the current Ordinance.

Councilmember Pelaez asked for clarification from Jane Gonzalez on the impact to small businesses for not allowing small business participation on these types of solicitations. Gonzalez spoke of the challenges of not being able to participate on these associated contracts. Councilmember Pelaez asked if the City had any ability to provide input on vendor and small business vendors to allow participation on large commercial solicitations. City Attorney Segovia stated that the City did not have the ability to mandate participation of private business entities.

No action was required for Item 15.

**16. Briefing on status of management action plans addressing audit recommendations from prior audit reports issued. [Kevin Barthold, City Auditor]**

City Auditor Kevin Barthold provided an update on the status of Management Action Plan recommendations for prior audit reports issued. He noted that the action plans were continuous and he provided an update to the provided spreadsheet report.

No action was required for Item 16.

**Executive Session**

Chair Perry recessed the meeting at 1:02 PM to enter into Executive Session to discuss the following items:

Deliberate the appointment, evaluation, and duties of the City Auditor and discuss legal issues pursuant to Texas Government Code Section 551.074 (personnel matters) and Texas Government Code Section 551.071 (consultation with attorney)

Chair Perry reconvened the meeting at 1:21 PM and stated that no action was taken during Executive Session.

**ADJOURNMENT**

There being no further discussion, the meeting was adjourned at 1:21 PM.

**Approved**

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*Clayton H. Perry, Chair*

**Respectfully Submitted**



*Debbie Racca-Sittre, City Clerk*

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