



Taxation, Revenue, and Utilization of Expenditures (TRUE) Commission

Dr. Keshan Hargrove, Chair

TRUE COMMISSION Meeting Minutes

December 7, 2023
4:00 p.m.

Don Davis Room, 1st floor, City Hall

Attendance: Commissioners Charles Barr (Vice Chair), Tony Zebouni, Ramon Day, Velma Rounsville, Daniel Henry

Excused: Commissioner Carter Jones, Bruce Tyson, Keshan Hargrove (Chair), Kim Pryor

Absent: None

Also: Jeff Clements – City Council Research; Tommy Carter – Council Auditor’s Office

Vice Chair Barr convened the meeting at 4:02 and the attendees introduced themselves for the record.

Invited Speaker: Lawsikia Hodges – Office of General Counsel

General Counsel-designate Michael Fackler, whose appointment has been approved by the Rules Committee and will be up for a final vote by the City Council next Tuesday, introduced himself and said the General Counsel’s office is available and happy to assist the TRUE Commission with its work. He introduced Deputy General Counsel of Governmental Operations Lawsikia Hodges

Ms. Hodges introduced herself and briefly described her 16 years with the Office of General Counsel (OGC) and the breadth of operations of the General Counsel’s Office. There are 6 transactional attorneys in the office who work in the Government Operations Department and several other transactional attorneys who work for other agencies (JEA, School Board, etc.). She elaborated on and clarified some comments made by the Chief of Procurement at the previous meeting during the discussion of the re-write of the Procurement Code. She said many of the contracts processed pursuant to the Procurement Code contain standard terms and conditions and don’t take a great deal of negotiation, and in many cases are based on the terms of an RFP if one was issued.

As an example of the workload and processing time for contracts, Ms. Hodges said that in June of 2023 her office processed about 40 contracts related to RFPs and invitations to bid. She described the stages of the contract process: 1) legal request to OGC to draft a contract award; 2) assignment of the contract to an attorney (there are 2 attorneys dedicated to processing simple contracts); 3) contract drafting; 4) contract is sent to the user agency to get signatures from the vendor; 5) OGC manages the City signature process when a signed contract is returned from the vendor. The average time to process a contract (from the receipt of a request to delivery of a draft to the user agency) was 8 days. If 2 outlier contracts (each taking more than 40+ days due to unusual circumstances) are excluded the average, turnaround time was 4 business days. The average time to get a contract executed after it is returned signed from the vendor is

about 10 days to acquire all City signatures. She said the OGC is generally not involved in negotiations with a vendor for most contracts except in complicated or unusual circumstances; those negotiations are handled by the user agency that has expertise in what product or service they are trying to acquire. The impending use of DocuSign for electronic signatures will speed up the execution process considerably and is already being used by the Kids Hope Alliance to great effect. Ms. Hodges said more transactional attorneys could reduce contract processing time but the OGC is proud of its performance now.

With regard to the recently approved Procurement Code re-write, she said the development of a new Procurement Manual is crucial to its success and she is looking forward to working with the Chief of Procurement on that manual. Commissioner Henry asked about the possibility of using non-attorney laypersons to draft contracts; Ms. Hodges said the OGC has paralegals and legal assistants who already do some of the work drafting standard boilerplate portions of the simpler contracts.

Ms. Hodges talked about the importance of procurement and other central services in the consolidation movement in the mid-1960s as a preface to her discussion of the Procurement Code re-write recently approved by City Council. The current three procurement committees will be consolidated into one, with the OGC attorneys being removed as members of the committee so they can fulfill their proper role as a legal advisor, not a voting member. Bid solicitation documents will no longer need to be approved by a procurement committee before they are issued. Agencies will be able to use a set of procurement methods approved by City Council. The bill relocates many of the details of the procurement processes and methods from the Ordinance Code and moves them to an enhanced procurement manual. The mayor and procurement committee will review and approve rules promulgated by the Chief of Procurement that do not conflict with state law. The level for informal procurement is being increased from the \$65,000 threshold that has been in place for many years to \$150,000 to account for the effects of inflation. Several alternative procurement mechanisms are being piloted.

The procurement ethics provisions were enhanced for both City employees and vendors. New contract management and oversight provisions have been added to what is already being done in the user departments. The Procurement Chief is tasked with training contract managers in the using departments. Commissioner Henry said he is pleased to see the additional emphasis on contract management but cautioned that the Mayor and Council will need to provide the resources the Chief needs to get that job done. Ms. Hodges noted that the Inspector General will be developing a system for identifying “high risk” contracts that will require a specifically designated manager and oversight. Mr. Henry highly recommended using the Florida Department of Management Services’ contract management training and certification process as a good example of a successful system.

Mr. Henry asked if the City Council’s contract with Granicus to produce and make available the video recordings of public meetings could be used by other agencies to make similar videos readily available without the public having to file a public records request to get that information. Ms. Hodges said it very likely could via an amendment to the City Council’s contract to increase the maximum indebtedness. She knows that the Mayor’s Chief of Diversity, Equity and Inclusion - Parvez Ahmed – is interested in improving public access to government, including better accessibility of meeting videos.

The new Procurement Manual must be presented by the Chief of Procurement for review by June 1, 2024 and the revamped Procurement Code goes live on July 1, 2024.

In response to a question from Mr. Henry about how the relations between the City and vendors will change with the addition of the Invitation to Negotiate method, Ms. Hodges said other City agencies have been using the ITN for some time and they have not experienced major problems (aside from one notable exception with the JEA several years ago). There are occasional bid protests, but nothing out of the ordinary compared with other procurement methods. Mr. Henry said KHA and City Council direct

contracts are exempt from the Procurement Code and asked if any other agencies are being added to that exemption authorization. Ms. Hodges said there are some available exemptions in limited circumstances when specifically authorized by the Code.

Approval of minutes

The minutes of the November 9, 2023 commission meeting were amended to reflect the correct adjournment time and **approved unanimously as amended.**

Public Comment

None

Council Auditor's Report

Tommy Carter of the Auditor's Office reported that he had 4 reports to review:

#800B – City Wire Transfer Out Audit Second Follow-up: 9 issues were identified in the original audit, 3 remained outstanding after the first follow-up, and 2 remain outstanding for a third follow-up – wire requests not initiated in accounting system and wire transaction procedures inconsistent with Ordinance Code. Another follow-up will be conducted.

#856A – Electronic Funds Transfer In Audit Follow-up: the original audit was conducted after \$8M in federal ARP funds were found to have been received but not recorded in the financial system for 2 weeks after deposit in the bank. The original audit identified 6 issues, 4 of which were resolved as of this follow-up and 2 remain – deposits not recorded timely into the 1Cloud system after deposit in the bank and computer access rights not deactivated after employees are terminated. Commissioner Henry asked what happened to ITD's survey of computer access rights that was presented to the Commission some months ago. Mr. Carter said his understanding was that the pilot survey in one department proved to be more extensive and difficult than expected and he doesn't know if any further action was taken by ITD. Jeff Clements noted that Paul Freeman of the Information Technology Division will be the invited speaker at the commission's January meeting and may be able to provide more details.

#815B – Defined Contribution and Deferred Compensation Plans Audit Follow-up: the original audit identified 16 issues of which 14 were cleared by first follow-up, and 1 of the 2 remaining issues was cleared by this second follow-up. One issue remains with reconciliations still not being properly performed according to SOPs for financial transactions. The process of batching checks in 1Cloud is problematic for identifying individual check amounts.

#834A - Tax Collector Local Business Tax Audit Follow-up: the original audit identified 12 issues, all of which are cleared by this follow-up, so the audit is considered closed.

Commissioner Henry said there are still outstanding issues from Audits #870 and #871 and wondered if those issues will be raised by the Council Auditor for incorporation into the Procurement Manual re-write. Mr. Carter said he believes the Council Auditor will provide those findings to the Chief of Procurement to assist in that drafting process.

Legislative Tracking Committee

None

Audit Committee

None

Chair's Comments

Vice-Chair Barr said he will recommend to the Chair that she appoint an Onboarding Committee as provided in the by-laws to help orient new members appointed to the commission to understand its authority, scope and operating procedures.

Old Business

By-laws revision: deferred to the next meeting.

New Business

None

Commissioner Comments

Commissioner Day said he knows of a person who has applied to the Mayor's Office for appointment to the TRUE Commission but has not gotten any response.

Commissioner Henry said the TRUE Commission has heard presentations in the last year from the Information Technologies Division, Office of General Counsel, and Public Works Department and could help inform the Procurement Manual re-write process by making suggestions about what it has heard in those presentations, particularly Dustin Freeman's comments about insufficient resources for the procurement process. Commissioner Zebouni said the JEA completely mishandled the ITN process for its potential sale and that demonstrates how important a procurement manual and following those rules is. Mr. Henry said there should be a standardized vendor relations manual so that everyone knows what the rules are, and compliance should be actively pursued. The recent Inspector General report on the shortcomings of a third-party oil change contractor exemplifies the need for procedures that inform management about what performance is actually happening in the field after contracts are approved.

Next meetings

Audit Committee – at the call of the Chair as needed when new audits/reports are released

Legislative Tracking Committee – at the call of the Chair as needed

Full commission – January 4, 2023.

The meeting was adjourned at 5:27 p.m.

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