



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

Dr. Keshan Hargrove, Chair

## TRUE COMMISSION MEETING MINUTES

February 6, 2025

4:00 p.m.

Lynwood Roberts Room, 1st floor, City Hall

**Attendance:** Commissioners Keshan Hargrove (Chair), Charles Barr (Vice Chair), Tony Zebouni, Alexander Hoffman, Bruce Tyson, Kevin Luhrs (dep. 5:17), Stephanie Oglesby, Ramon Day (dep. 4:55), Kim Pryor (arr. 4:04), Velma Rounsville (arr. (4:04)

**Excused:** Commissioners Daniel Henry, Andrea Letizia

**Absent:** None

**Also:** Jeff Clements – City Council Research; Tommy Carter – Council Auditor’s Office; David Johnston – Inspector General’s Office

Chair Keshan Hargrove convened the meeting at 4:00 p.m. and the attendees introduced themselves for the record.

### Approval of minutes

The minutes of the January 9, 2025 commission meeting were **approved unanimously as distributed.**

### Procurement Code rewrite implementation – Dustin Freeman, Chief of Procurement

Mr. Freeman provided an update on the implementation of the revised Procurement Code and Procurement Manual that become effective in July of 2024. The manual is available to the public on the City’s website. There was some initial push-back from departments about the new system but that has been overcome. Vendors have accepted the new system, and operations have been much smoother in the last 3 months than in the first 3 months. There is now a single procurement approval committee. The Chief of Procurement has the authority to choose the appropriate procurement method for single-source procurements. The Office of General Counsel no longer has a representative as a member of Procurement Committee to avoid complications with the Government in the Sunshine law and the ability to talk freely to other members outside of a noticed public meeting. Much policy language was removed from the Ordinance Code and the Chief now has more leeway to craft processes that make sense. The threshold for requiring formal procurements for supplies, professional services and contractual services has been increased from \$65,000 to \$150,000. Mr. Freeman said he now makes quarterly reports to Mayor, Finance Committee and Council Auditor on single-source procurements. The advertisement period for single-source period is now 14 days, which has led departments to put procurements out to bid for the required 10 days, which is quicker. The revised code and manual contain new ethics and transparency provisions.

The division will begin performing a tri-annual survey of City suppliers and contractors to gauge their satisfaction. He noted that information on active procurement contracts is available on the Mayor's performance dashboard under the Procurement tab. Departmental procurement evaluation committees are required to have no less than 3 members approved by the Chief of Procurement, and they must affirm that they have no conflicts of interest with any of the companies that responded to the solicitation.

Commissioner Zebouni asked about criteria and training for procurement evaluators. Mr. Freeman said the only requirement is that they must be City employees and recommended by their department head. Training is provided on an as-needed basis geared to the specific procurement. The expectation is that the departmental representatives are the subject matter experts more than Procurement, so Procurement asks more questions on the back end of the process after ratings are made if there appears to be discrepancies among the ratings. Mr. Zebouni asked if there is a pre-qualification process for bidders; Mr. Freeman said not so much on the front end except in the case of construction companies. Any conflict-of-interest forms that indicate a possible conflict are sent to the Ethics Office to review. There is a new contract risk assessment program and contract administrator training is being developed for those working on "high risk" contracts. Working groups will define what constitutes "high risk" depending on the type of procurement. Mr. Freeman said he took the TRUE Commission's previous recommendation on the need for a contract administrator position; the division has hired one and are developing specifications for hiring a contract evaluator. Responsibilities include finding best practices, development of training materials, and certification of successful training. Mr. Zebouni recommended looking at a 20-year history of litigation over procurement issues to see what went wrong and why to know how to avoid future problems. Mr. Freeman said they have done some of that with OGC and previous Chiefs of Procurement to identify problem areas. They are also working with local universities to see what resources they can offer. Mr. Zebouni recommended looking at Construction Dispute Review Board records for historical perspective.

Commissioner Day asked if there is a nationally recognized credentialing agency for procurement agencies and if Jacksonville is certified. Mr. Freeman said the certification body for state procurement agencies has recently opened up its membership to allow local governments as well. His division will have 5 personnel certified by May of this year.

Mr. Freeman noted that the Office of General Counsel has a contract tracking database and the Procurement Division will have its own as well to do what the division is charged to do. A supplier performance assessment rating system has been built but not yet put into use because of Oracle system limitations – it needs human intervention to send emails to user departments and is not entirely automated. That is what one of the new employees will start doing and the information will be available to City departments to evaluate which vendors are doing good work and which aren't. It could eventually be used for making debarment decisions if vendor performance is consistently poor. Mr. Zebouni cautioned that the system could be compromised if contract administrators aren't properly trained or don't act ethically.

Mr. Freeman said the biggest aspect of the code change is the ability to use electronic sourcing and to have performance dashboards. The system is using DocuSign for all contracts to capture all necessary information electronically and reduce paperwork. All solicitations are now being done electronically, as well as bid submittals. There have been no issues at all with bidders about the change from paper to

electronic processes outside of one isolated instance. It took a lot of time and effort to develop the technology, but the results have been worth it. Suppliers all get training in operating the system. The combination of electronic processing and the increase in the competitive procurement thresholds has shifted the workload among different types of employees which had to be balanced. The Procurement Division will take over the City's purchasing card (P-card) program. Currently the division has an audit role but will take overall operations after the current audit of the P-card program is finished. A third-party vendor will take over the audit function.

Commissioner Zebouni asked about the staffing level in the Procurement Division. Mr. Freeman said it varies seasonally. They were understaffed a year ago and didn't have the needed expertise but the 2 new positions that TRUE recommended has taken care of that for the contract management function. He has 1 vacant procurement position that he doesn't see the need to fill because of the efficiencies of the new technology. Some position titles and duties will need to change to reflect their new functions. Mr. Zebouni asked if there are personnel dedicated to looking at state contracts for piggyback opportunities; Mr. Freeman said all buyers are supposed to do that. Commissioner Luhrs asked about ability to alter bidding deadlines if there is a technological issue with the Oracle cloud-based system. Mr. Freeman said he has the leeway to make sure the system is fair to all and can extend deadlines as needed. The division doesn't keep data on local computer servers – it's all cloud-based and the official record is in the Oracle system. Commissioner Pryor asked about the number of personnel devoted to helping vendors register with the city. Mr. Freeman said many vendors like to be personally walked through the registration process which others would find self-evident on the website. Updated training might help some vendors overcome that, but people have their own preference about how they want to interact with the city and some prefer personal assistance over using an automated system. He noted that the front-line employee who handles the registration function has identified several instances of attempted fraud. Ms. Pryor asked if they have identified common questions/issues and tried to tailor training specifically to address those areas. Mr. Freeman said they have not yet but will start doing that. Ms. Pryor asked if the status of the registration application could be notated on the vendor's page to eliminate the need for them to make calls to check on status. Mr. Freeman said it is already notated, but vendors call to find out why approval is taking so long. The division now allows bids to be submitted without banking information which is checked later by the Accounting Division on the back end of the process when a vendor wins a bid. He will share the results of the supplier survey with the TRUE Commission when it is compiled.

Mr. Freeman said the point of the whole procurement code revision effort was to streamline the procurement process and there has been good success, although with some work still to be done. User agencies can now shop for supplies with 3 potential suppliers via the Oracle Fusion system. Commissioner Luhrs said the marginal benefit of personally walking applicants through what should be a simple system is probably negative. He congratulated the division on the success of the reforms thus far. In response to a question from Chair Hargrove, Mr. Freeman said the division thought about having a training process for departmental contract evaluators to explain how to validly evaluate proposals and bids before the new process was implemented but decided not to do it. That concept could be incorporated into a future revision of the manual.

Public Comment  
None

### Council Auditor's Report

Tommy Carter of the Council Auditor's Office reported that one report has been released since the last commission meeting - #793C Non-residential solid waste fee audit third follow-up. There were 2 remaining issues to be addressed after the second follow-up: 1) insufficient standard operating procedures and processes for assuring that revenue received from franchise haulers is accurate, and 2) payment bond amounts were not correct. The items still remain unresolved so a fourth follow-up will be scheduled.

### Legislative Tracking Committee

Commissioners Zebouni, Pryor and Luhrs volunteered to reactivate the committee. Jeff Clements recounted the history of the committee and its perennial difficulties in trying to find a way get ahead of action by the Council. Various meeting dates have been tried in the past either before or after City Council meetings to attempt to identify issues that the commission may wish to investigate or comment upon. The monthly meeting schedule of the commission makes it difficult to keep up with the twice-monthly schedule of council meetings so previous commissions have been frustrated by their inability to do enough timely research to make well-informed recommendations before the council committees and the full council have already taken action.

### Audit Committee

Commissioner Barr is the committee chair and Commissioners Oglesby, Tyson and Hoffman volunteered to be committee members. Staff will send out the audits and reports as they are released by the Council Auditor's Office and meetings will be scheduled as needed to discuss the reports.

### Chair's Comments

Chair Hargrove reported that she attended the recent meeting of the Inspector General Selection and Retention Committee. One topic of discussion was the recent state law amendment prohibiting governments from accepting anonymous complaints from the public regarding code violations and the like. All complaints now must capture the name and contact information of the complainant. Mr. Clements reported that Mayor's Chief of Staff Mike Weinstein had recently cautioned City Council members about relaying complaints from constituents to the MyJax system to enable the constituent to remain anonymous, saying that when council members insert those issues into the system, the ownership of the complaint becomes the council member's responsibility.

### Old Business

The agenda for the March committee meeting will include a continuation of last month's discussion of City policies regarding lien enforcement. Staff was asked to invite representatives from the Municipal Code Enforcement Division and the Downtown Investment Authority to be present.

### New Business

Mr. Clements announced that an appointment resolution is pending to appoint Chris McHugh as a Council President replacement for Wen Raiti who recently resigned.

### Commissioner's Comments

Commissioner Pryor reported that she had spoken to the City Council in the public comment period at its last meeting about her street being repaved, which was nice, but no repairs had been made to the underlying infrastructure which caused the problem in the first place. She understands the project was paid for from maintenance paving funds but reworking the underlying infrastructure would have been a more expensive CIP project. She said it's wasteful to do cosmetic improvements when more substantial work needs to be done. JEA has been saying they have no plans to do any underground work in that area, but the road was in bad shape in less than 10 years after its last repaving so something is wrong underneath. Sheh said the Public Works Department and JEA need to communicate better about

infrastructure needs. Chair Hargrove recommended reaching out directly to Nina Sickler, Director of Public Works, about the need – that’s what her neighborhood did. Commissioner Zebouni suggested comparing the City’s CIP plan with the JEA’s CIP plan. He said If there’s a dangerous condition then it is sometimes dealt with remedially for risk management purposes. Ms. Pryor wondered who is responsible for evaluating the underground infrastructure to determine what’s wrong. JEA said they have no plans for work in the area for the next 5 years but there have been 4 water main leaks in recent years so clearly something is wrong. Commissioner Hoffman said Public Works regularly evaluates the condition of streets and if there is a pothole it is usually a JEA issue, not a Public Works issue. He recommended calling the 630-CITY complaint line and that office will route it to the right agency. The two agencies coordinate between themselves over jurisdiction. Commissioner Rounsville said that when calling 630-CITY doesn’t work, she emails all city council members and gives them the MyJax tracking number and someone will eventually do something. Commissioner Zebouni recommended sending a letter to the Risk Management Division and copy to the General Counsel’s Office so they are on notice and will be more likely to generate action to avoid a liability situation.

Mr. Zebouni noted the friction between the City Council and the General Counsel over the scope of his authority and said there is a pending resolution expressing Council’s lack of confidence in Mr. Fackler. He’s heard that the General Counsel’s Office is losing staff because of insufficient pay and the loss of the defined benefit retirement plan and wondered if anyone is interested in having Mr. Fackler come and address the commission on this issue

**Motion** (Zebouni): staff is directed to invite General Counsel Michael Fackler to the April commission meeting to discuss the state of the OGC – **approved unanimously.**

Commissioner Rounsville said she was astounded at the amount of overtime pay some Solid Waste Division employees made working overtime as reported in a recent Office of Inspector General report last year on alleged overtime fraud in the division.

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 – March 6, 2025

The meeting was adjourned at 5:30 p.m.

Jeff Clements, City Council Research Division

[jeffc@coj.net](mailto:jeffc@coj.net) 904-255-5137

Posted 3.7.25 10:30 a.m.