



City of Columbia, Missouri

Meeting Minutes

City Council

Monday, October 4, 2021
5:00 PM

Pre-Council

Conference Room
1A/1B
Columbia City Hall
701 E. Broadway

I. CALL TO ORDER

The meeting was called to order at 5:06pm

RubinBrown LLC Contracts Performance Audit Report

Attachments: [Contracts Performance Audit Report](#)

City Manager Glascock introduced the RubinBrown LLC presenters who were present to review the Contracts Performance Audit Report.

Rick Phill and Garret Mayer introduced themselves and highlighted their roles within the RubinBrown LLC - Internal control consulting, fiscal process improvement, etc.

Maria Oropallo - Finance Advisory Audit Chair was introduced before the discussion began at 5:08 p.m.

Note: The City has done a great job in this performance review - a few recommendations - by Rick.

The report was sent to council members prior to the meeting. Rick and Garret then opened the floor for Council and other participants to discuss the report.

Mayor Treece asked if there is preference for the Council.

Council Member Skala asked presenters to give a summary/framework of the report and later follow up with comments.

Rick and Garret presented a summary of the report. The summary of the report highlighted observations and recommendations. Mainly internal recommendations - process improvements, efficiency.

Garret presented how organizations performed. He highlighted the scope of the report. Interviewed people who run the purchasing departments, user departments point of view, and public works departments.

Contracting department: looked at how they initiate contracts, how do they determine whether they need a contract or not, whether they need to outsource it or do it internally, vendor selection, management approvals - how they manage approved contracts, and approved contract monitoring.

Mayor Treece asked about the sample size - how many do they do in a year? And at what dollar value?

Garret highlighted the sample size - >600 contracts that are active; this year they have approximately 242 formal bids. The dollar value was approximately \$25million.

Mayor Treece: What is the total contract of this amount?

Rick - just the field process. They also looked at contracts that are let out that were started three years ago and that run for five year.

Council Member Pitzer: How are the 50 participants chosen?

Garret - a population composed of different departments, contracts, associations, agency purchases, etc. It was a random sample selection process.

Council Member Pitzer: Were there some other contracts that you couldn't look at or could have looked at?

Answer: Accessed the information as needed.

Maria Oropallo: there are certain contracts that were not mentioned. Do other types of contracts that are covered in this scope - energy efficiency loan, in performance agreement with other things - there are a lot of other contracts.

Council Member Skala: admittedly this is a tiny sample size, but agree with the findings and recommendations.

Rick - experience doing similar audits, governments and for profits contracts - usually sample sizes are between 50 and 60. They took 50 samples but there was one criticism.

Council Member Skala: with respect to some other findings you found some issues with $\frac{1}{3}$ test to be significant

Reaction: 3/9 evaluators were statistically significant - there was something to do with interaction with the management - why things happen, how they happen, what's being done to address it?

Comments: management did a good job with things to improve and are in the report.

Best practices related to contracts were highlighted in the presentation (table format on the report) as found in the summary of the report.

Mayor Treece opened room for any questions

Rick provided clarification - the recommendations are for the city management to look at the best practices, if there are things they left out addressed, etc.

Observations: interactions from purchasing department, government response, submission and target date, acknowledgement to improve.

Maria recommendation: One take-away to the City Manager about contracting. The city has to create a contracting Manager position. Lots of monitoring and evaluation will be performed by the contracting manager. Contract Manager will save the city from spending a lot of money paying for monitoring and evaluations.

Council Member Fowler asked a question about. When you say all responsible parties will review cohorts to determine any provision. Many things were codified according to reporters. How is it that we take this recommendation and move it to an ordinance in a way that tracks back to the fact that this is recommendation 1 out of a particular report? And is from 9-month to 12-month. Lengthwise - is this an outside number or thinking it will take this period to get this opportunity to get to that point - adapting or making that change?

The City's Manager responded that it will take about 6-month to review and make a determination. So it will take some time for the management to go through. Will the public even accept that we want to change things? The city management has to have the process, discussion with the council members, what do you want to give up - authority. Lots of things go through the purchasing agent. But sometimes doing a CIP project, it doesn't necessarily go through them - but through other places. If that is what the council wants to do - it takes staff's preparation, staff discussion among others. So priorities on what comes first have to be put in place.

Council Member Fowler verified if the City Manager thinks the realistic time to implement the results is between 9-12 month? And the Manager agrees.

Council Member Pitzer: How does the council make sure this process doesn't take 24 months, 36 month.

Council Member Fowler: how do we not lose track of this and other recommendations?

Rick: a lot of time we do re-branding - doing internal reports and follow-up reports, follow up every year which slims down reports with status updates. Provide highlights on what has been done, what hasn't been done, etc.

Council Member Skala: amount of time taken - could be a collegial relationship between an auditor and the subject - to the city Manager - is there anything that may be a problem in implementing these recommendations? Are we on board with conserving some of these recommendations and they seem to be well founded?

City Manager: we definitely have to make changes but have to follow the process - talk to those involved including purchasing agents. Things take so long to get to our process. Council processes can hold things for sometimes depending on a list of things they have to consider. When given the authority to use the purchasing agent, things go much quicker - just a matter of change in a process.

Council Member Pitzer commented on a few things referring to an earlier report auditors did - internal report from the finance department, and the current one which has some nuances that need some considerations. On legal questions about the development of this report - there is a provision in the Sunshine Law that an audit is a closed document until it is presented to the government body. A draft of this report was discussed at a public finance committee because the council asked to do that - did this then become an open document?

Nancy Thompson suggested that she look into this and come back to the Council. But if this was a closed document and discussed publicly then it would trigger some questions. This was discussed with the finance committee so it doesn't trigger questions about legality of the process.

Council Member Fowler asked a follow-up question about the Supplier-Diversity program

on page 14 & 15 of the report. A hybrid question for presenters and city staff - concerns about whether we are confirming certification of minority owned business - do we have the Supplier/Diversity program that the city has adopted and follows?

City Manager: We have WBE and MBE programs.

City Manager: A lot of minority owned businesses aren't big enough to follow some of these requirements from the State to get Certified. So the city has set its own way of certifying them through - Diversity Supply Vendor. Going through the State Certification process is very vigorous.

Council Member Fowler: When we are using Federal money to assess this - what are our success rates in letting contracts to minority owned businesses?

Participant: We are required to do a policy review after three years to the Federal government and our current policy is 8.8% of the contract value must go to a DBE certified vendor. No choice and that is the success rate. It is usually more than that, but it has to be a minimum of 8.8%.

Council Member Fowler:: And that is just with Federal money - do we have a policy that we do for other funding sources to projects?

City Manager: Not unless it's part of the grant and grant requires a certain percentage of the process. It could happen but rarely.

Council Member Fowler: What is the process to bring this along for Council to Discuss about having minority owned businesses requirement for other sources of funding?

The City Manager responded to a two-way action between council and the city staff. The city staff have been figuring out how to get it done for the last three years. Have been consulting with Kyle about the process - whether making projects so large or small and companies can build at it. Council needs to set a date that they need council to get .

Council Member Fowler: There is a need for the council to understand what the complexities are that city staff are struggling with.

City Manager: Lots of paperwork to get this done.

Council Member Skala suggested breaking larger projects into smaller ones so it can be desirable to minority vendors.

City Manager - we tried and are still working on this process, but Federal funding is restricted to specific engagements.

Mayor Treece: Where would you all like us to go from here? Would you continue an engagement with RubinBrown and what type of scope? Council members may need to go read recommendations to see what area of the city department they would want to focus on in that process. This will give a new city manager a roadmap of policy improvement areas or changes.

Presenters: There is no decision on how they want the city council to do it. They suggested two years to implement the plan.

Council Member Pitzer: Referred to the last council meeting - suggesting a two to three

year plan.

The Audit team wants to work with the Finance Department to see if there are other areas of engagement they suggest.

Mayor asked if there were other areas that council members would like to be looked at.

Council Member Skala: Would like them to look at utilities and it was agreed by all council members.

The Mayor asked the Finance Advisory Chair if there is something she needed to add based on her recollection.

Maria Oropallo recommended utilities and billing.

The city management will be involved.

Council Member Pitzer suggested moving forward with another engagement in the near future followed by an assessment of where we will be.

Mayor asked for a consensus from council to have RubinBrown to come back with scope of services and added a report?

Because RubinBrown and the Finance Department have been working closely, Mayor Treece prefers them coming back with a more finished scope of services to council rather than something coming to Council first and then sending it back.

Mayor asked the Council, Finance Advisory Chair and RubinBrown team if this model is sufficient and not a replacement but a substitute for the Internal Auditor role. And are there things in the Charter or code of ordinance? Are they met in this model? The model is supported by Skala and other council members.

They will come back before the end of the year.

American Rescue Plan Act (ARPA) Process Discussion

City Manager Glascock introduced the agenda - Council needs time to discuss the process, how they want the public involved in the distribution of ARPA funds.

Council Member Skala: Mr. Skala sent out information regarding his view of the discussion about ARPA and commented on the Mayor's previous narrative about the budget. There is a need to talk about what/how ARPA budget should be allocated. Need to determine things that are more directly focused or infrastructure focused. Council mentioned things like affordable housing, transit system, and other opportunities.

Mayor Treece: Mayor welcomed Council Member Waner to present her findings of the survey done regarding key themes to consider in the ARPA program.

Council Member Waner: Explained the community health improvement plan process in reference to the 2018/19 plan. She used a Durham North Carolina model of health improvement - how successful in the equity and diversity inclusion in their public policy. Council Member Waner took all of the public feedback notes, analyzed them and put them in themes and order of priority. Waner noted three themes in her public feedback notes: Homelessness, Mental Health and Community Violence Prevention. Details of these themes are found in her 20-page presentation.

She also noted complaints about the city not having enough data on these topics - and pointed that we have data - except little to no presentation of these kinds of data.

She suggested that these key thematic areas are urgent and identified by the community. She also suggested moving forward and allocating the \$12 million federal funds to address some of these urgent needs.

She also suggested a robust commitment for community engagement in the allocation of these funds.

Council Member Peters: Suggested to start a robust process of helping homeless people or almost homeless because that is a package cities usually miss. Ms. Peters suggested moving forward with funding a day center, a homeless shelter, and providing other resources. It may take up to 6 months to understand the complexity of this suggestion. Things to look at to implement this are: where to put/locate a shelter, how much it costs, what partners can we have eg. county, nonprofits, who should run it, how are they going to fund it? Where or who else is taking a similar approach - means other cities, etc? Or what is it that other places are doing so we are better informed of their approaches and look for funds? These are some specific questions to move forward.

Council Member Thomas expressed support for Ms. Waner's proposal. He suggested identifying themes that need Council to move forward quickly and those that can be done later.

The idea of engaging the people whose funds are supposed to support was compelling to Council Member Thomas. Not sure if he would support the \$12 million to fund all the three themes or divide it up. There is no location identified to locate the shelter until now and winter will start in two months from now - so there is a need to work together with the responsible organizations to help with location identification and move forward.

Council Member Pitzer: Support Waner's presentation and noted two different conversations. The three areas have the consensus of council members to begin moving forward. Things to look at: Need to have conversations with communities within those areas on how to do or operationalize these priorities. Suggested partner organizations and groups who can facilitate these conversations. These are the resources we have in our community. Another set of funding that is trickier - there are several priorities that are identified available for this funding - Council will need to look into those other competing priorities to see how they may affect the three identified themes. The three areas should move forward with immediate action.

Council Member Fowler: Supported Waner's findings and suggested process conversation with people who are targeted. Concerned about the process. With experience in other communities, the process of funding allocations has been looked at. We want people who are targeted by this funding allocation to be included in the process. Different groups (volunteers, faith organizations, etc) of people talked to her about a need to talk to people who we usually don't talk to. How do we get underway knowing that some of the processes that we operate under are broad and stressful - with the needs we already have plus these that are urgent?

We have \$150k set aside to get two of these urgent needs underway. Concern that the city will use the old model and leave the ones that address the targeted communities.

Mayor Treece: Council did a good job with director Griggs' help going through the parks sales tax project. Prioritize those in Tier 1 & Tier 2. Would like to see if there is

consensus to go a little bit deeper - including broadband, etc. Will give the City Manager to come back with the information the Council needs to make a reasonable decision (more in audio link).

Council Member Peters: Suggested a need to get the process of these projects started while other discussions are going on. Focus on things that these targeted communities need urgently.

Council Member Waner: City Manager should move on with directing the council on what we should get started with. City Manager should come up with recommendations based on the three themes presented. Consult with communities, stakeholders and partners and then come up with a plan that works.

Mayor: Mayor concluded saying there is a consensus moving forward with the said priorities.

II. ANY OTHER ITEM THE COUNCIL MAY WISH TO DISCUSS

III. ADJOURNMENT

Meeting adjourned at 7:04pm.

Members of the public may attend any open meeting. For requests for accommodations related to disability, please call 573-874-CITY (573-874-2489) or email CITY@CoMo.gov. In order to assist staff in making the appropriate arrangements for your accommodation, please make your request as far in advance of the posted meeting date as possible.