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GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT
DALLAS CITY COUNCIL COMMITTEE AGENDA

REVISED

2019 JAN 31 PM 3:26

CITY SECRETARY
DALLAS, TEXAS

MONDAY, FEBRUARY 4, 2019
CITY HALL
COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA STREET
DALLAS, TEXAS 75201
2:00 P.M. – 3:30 P.M.

Chair, Councilmember Jennifer S. Gates
Vice-Chair, Councilmember Scott Griggs
Councilmember Sandy Greyson
Councilmember Lee M. Kleinman
Councilmember Philip T. Kingston
Councilmember Tennell Atkins
Councilmember Kevin Felder

Call to Order

1. Consideration of Minutes from the January 7, 2019 Government Performance & Financial Management Committee meeting
2. Consideration of Upcoming Agenda Items for February 13, 2019 City Council Meeting

BRIEFINGS

3. Office of the City Auditor – Fiscal Year 2019
Second Quarter Update Carol A. Smith
Interim City Auditor
4. UNT Law School Interlocal Agreement Chris Caso
City Attorney
5. 2018 Diversity Accomplishments &
Performance Report Zarin Gracey, Managing Director
Office of Business Diversity
6. Budget Accountability Report Jack Ireland, Director
Office of Budget
7. Auditor Nomination Commission Update Jennifer Gates, Chair
8. Proposed Changes to City Council Resolution
90-4027, City Auditor Responsibilities and
and Administrative Procedures, dated
December 12, 1990 and the Code of Ethics,
Chapter 12A Jennifer Gates, Chair

A quorum of the City Council may attend this Council Committee meeting

FYI

9. Electronic Procurement Platform
10. Federal Legislative Program for the 116th Congress
11. Service Contract for Medical Examinations, and Drug and Alcohol Testing

Adjourn

Jennifer S. Gates, Chair
Government Performance & Financial Management Committee

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex. Govt. Code §551.089]

Handgun Prohibition Notice for Meetings of Governmental Entities

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Meeting Date: January 7, 2019

Convened: 2:05 pm

Adjourned: 3:40 pm

Committee Members Present:

Jennifer S. Gates, Chair
Sandy Greyson
Lee Kleinman

Scott Griggs, Vice Chair
Tennell Atkins
Kevin Felder

Committee Members Absent:

Philip Kingston

Other Council Members Present:

Staff Present:

Elizabeth Reich
Anne Lockyer
Chris Caso
Rosa Fleming
Jenifer West
Lance Sehorn

Barbara McAninch
Mike Frosch
Juanita Ortiz
Connie Tankersley
Michael Doss
Nnenna Nwaeke

Carol A. Smith
Adelia Gonzalez
Zarin Gracey
Jack Ireland
CC Gonzalez-Kurz
Sheri Kowalski

Terry Lowery
Marlisa Griffin
Eva Narten
Theresa A. Hampden

AGENDA:

Call to Order

1. **Consideration of the December 3, 2018 Minutes**

Presenter(s): N/A

Information Only:

Action Taken/Committee Recommendation(s): Approved

A motion was made to approve the December 3, 2018 minutes. The motion passed unanimously.

Motion made by: Tennell Atkins

Motion seconded by: Lee Kleinman

2. **Consideration of the Upcoming Agenda Items for January 7, 2018 City Council Meeting**

Presenter(s): N/A

Information Only: X

Action Taken/Committee Recommendation(s):

A motion was made to move forward the items. The motion passed unanimously.

Motion made by: Lee Kleinman

Motion seconded by: Tennell Atkins

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Meeting Record

Briefings

3. **Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Management Agreement**

Presenter(s): Rosa Fleming, Interim Director, *Convention and Event Services*, Joey Zapata, Assistant City Manager, Peter Zingoni, Vice President of Business Development and Client Relations, *Spectra*, John Gonzalez, General Manager Candidate, *Spectra*, Marcel White, Head of Human Resources, *Spectra*, and Dave Anderson, Senior Vice President for Convention Centers, *Spectra*

Information Only: X

Action Taken/Committee Recommendation(s):

Rosa Fleming presented a briefing on the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Management Agreement, requesting feedback from City Council and a motion to schedule City Council action on February 13.

There were questions about changes to the budget and what functions would remain with Convention and Event Services (CES). Staff explained that the CES budget will not decrease because the funds to pay the management contract would remain in the CES budget. Committee members also had questions about whether Spectra would follow City of Dallas procurement policies; staff explained that Spectra is not subject to Administrative Directive 4-5. There were further questions about expectations regarding Spectra's hiring of current City employees. Spectra explained it would honor the minimum salary of 13.45 per hour for any current employees it hires. Staff clarified the City's living wage contract language.

There were several questions about the recent audit findings regarding Visit Dallas but the committee agreed to table the subject until a special called meeting of the committee tentatively scheduled for February 19. A committee member also encouraged Spectra to explore the potential synergies between Fair Park and the Kay Bailey Hutchison Convention Center Dallas.

4. **Open Records Request Center Update**

Presenter(s): Bilierae Johnson, City Secretary

Information Only: X

Action Taken/Committee Recommendation(s):

City Secretary Bilierae Johnson presented a briefing on challenges and improvements in the Open Records Request Center since the function transferred from the Public Information Office to the City Secretary's Office.

FYI

5. **Budget Accountability Report – November 2018**

Presenter(s): N/A

Information Only: X

Action Taken/Committee Recommendation(s):

Adjourn

Jennifer S. Gates, Chair
Government Performance & Financial Management



Agenda Information Sheet

File #: 18-1356

Item #: 27.

STRATEGIC PRIORITY: Public Safety
AGENDA DATE: February 13, 2019
COUNCIL DISTRICT(S): All
DEPARTMENT: Office of Procurement Services
EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a two-year service price agreement, with two one-year renewal options, for FirstNet services to provide public safety wireless devices and mobile services for the Department of Communication & Information Services with AT&T Corp through the Department of Information Resources cooperative agreement - Estimated amount of \$3,715,370.32 - Financing: Various Sources (see Fiscal Information)

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for goods and services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

In March 2010, the Federal Communications Commission followed the 911 Commission's recommendation to create a nationwide, interoperable, mobile broadband public safety network. The FirstNet Authority, housed by the Department of Commerce, was created to oversee the process to select a provider and on March 30, 2017, they awarded a 25-year contract to AT&T Corp to be the exclusive provider for the FirstNet network. All 50 States and United States territories have since opted to participate in the FirstNet network.

This agreement will allow the Department of Communication & Information Services (CIS) to transition public safety wireless devices and mobile services to the preemptive and priority services of the FirstNet service. The project includes moving all of the existing cellular devices, smart tablets, and mobile data computers used by the Fire-Rescue Department, Emergency Medical Services, and the Police Department to FirstNet communication services. In comparison to the current commercial services, moving to FirstNet Service will provide significantly increased network performance while reducing the annual cost of service by \$566,685.48.

FirstNet provides enhanced service to first responders so that their devices do not have to compete with non-emergency cellular users for a cellular connection. This preemption will ensure that first responders have the communications capacity they need by detouring non-public safety users off the network to ensure quality of service for emergency personnel, much like civilian vehicle traffic is routed off a highway to make room for emergency personnel.

In future phases, CIS will address adding secondary users to the FirstNet core network. These secondary users will include critical infrastructure technology such as the Advanced Traffic Management System, Water Utility Industrial Control Systems, and crime area surveillance cameras.

The Department of Information Resources cooperative agreement is authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will receive this item for consideration on February 4, 2019.

FISCAL INFORMATION

Various Sources - \$3,715,370.32 (Estimated amount)

Funding allocation will be determined based on an assessment of the Department of Communication and Information Services, Police Department, Fire-Rescue Department, and the Office of Emergency Management needs.

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$3,715,370.32	CO-OP	N/A	N/A	N/A
<ul style="list-style-type: none"> • The Business Inclusion and Development Plan does not apply to Cooperative Purchasing Agreements (CO-OPs). 				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Cooperative Purchasing	<ul style="list-style-type: none">• Cooperative Purchasing Agreements enable the City to associate with State agencies, other local governments, or local cooperative organizations comprised of other state and local governments, to leverage market buying power and enable the City to purchase goods or services at lower prices• Cooperative Purchasing is an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement
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OWNER

AT&T Corp

Randall L. Stephenson, Chairman
William A. Blase, Jr., Senior Executive Vice President

February 13, 2019

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute a service price agreement with AT&T Corp (268653) through the Department of Information Resources cooperative agreement, approved as to form by the City Attorney, for FirstNet services to provide public safety wireless devices and mobile services for the Department of Communication & Information Services for a term of two years, with two one-year renewal options, in an estimated amount of \$3,715,370.32. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to AT&T Corp shall be based only on the amount of the services directed to be performed by the City and properly performed by AT&T Corp under the contract. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of the budgetary appropriations for this service price agreement during its term.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$3,715,370.32, but not more than the amount of budgetary appropriations for this service price agreement during its term to AT&T Corp from Master Agreement Service Contract No. DSV-2019-00008738.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 18-1347

Item #: 28.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 13, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a five-year service price agreement for an environmental education initiative program for the Office of Environmental Quality and Sustainability with the University of North Texas intergovernmental agreement - Estimated amount of \$2,252,475.00 - Financing: General Fund (see Fiscal Information)

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This service price agreement will provide an environmental education initiative (EEI) program for the Water Conservation Division in the Office of Environmental Quality and Sustainability. This program will continue to teach, create, and enhance behavior changes in thousands of school-age children residing in the City. Education efforts shall also include environmental stewardship governing water conservation by the City. The programs are designed to appeal not only to the students but also to their parents and community. The EEI Program promotes the importance of water conservation to school aged children through English and bilingual hands-on classroom activities, interactive teacher workshops, and community outreach activities. The multi-faceted program includes State accredited curricula, hands-on lessons, school presentations, teacher development training, and more.

The contractor's primary responsibility is to augment current departmental efforts focused on increasing efforts identified in the City's water conservation efforts identified in the 2010 Five-year Strategic Plan on Water Conservation and again in the 2016 Water Conservation Five-Year Work Plan. To date EEI programs have effectively reached a diverse student population in classroom settings, trained and collaborated with teachers and administrators. The goal is to continue to build upon the current curriculum developed for K-12 education by adding new lesson plans and updating current ones as well as perform various community outreach programs.

In the past five years, the EEI programs have served all council districts in the following manner:

- Provided water conservation and waste diversion lessons to over 42,000 elementary and middle school students
- Assisted over 1,700 teachers through interactive workshops
- Reached approximately 22,900 residents through environmental community events and activities

The University of North Texas (UNT) will continue to assist the City with programs currently offered in the Dallas Independent School District (DISD), other ISDs, private schools, and faith-based organizations for children residing in the Dallas area. There will be greater outreach within DISD for the EEI Program and UNT will continue the summer internship program at the Dallas campus for selected high school students. Students will learn from and work under the Science, Technology, Engineering, and Math initiative.

The UNT intergovernmental agreement is authorized by Chapter 791 of the Texas Government Code and Subchapter F, Chapter 271, Texas Local Government Code. Section 271.102 of the Texas Local Government Code authorizes a local government to participate in a Cooperative Purchasing Program with another local government or a local cooperative organization.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On November 12, 2013, City Council authorized a five-year service contract for Environmental Education Initiative programs for Water Utilities and Sanitation Services with the University of North Texas by Resolution No. 13-1919.

The Government Performance & Financial Management Committee will receive this item for consideration on February 4, 2019.

FISCAL INFORMATION

General Fund - \$2,252,475.00 (Estimated amount)

FY 2018-19 - \$450,495.00

FY 2019-20 - \$450,495.00

FY 2020-21 - \$450,495.00

FY 2021-22 - \$450,495.00

FY 2022-23 - \$450,495.00

As the Environmental Education Initiative program is budgeted in Dallas Water Utilities FY 2018-19 budget, Dallas Water Utilities will reimburse the Office of Environmental Quality and Sustainability for its services related to the program.

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$2,252,475.00	Intergovernmental Agreement	N/A	5.00%	\$112,624.00
<ul style="list-style-type: none"> The Business Inclusion and Development Plan does not apply to Intergovernmental Agreements, however the prime contractor is subcontracting with a certified M/WBE. 				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Interlocal Agreement/Intergovernmental Agreement	<ul style="list-style-type: none"> Interlocal Agreements/Intergovernmental Agreements allow the City to take advantage of competitively bid contracts by a State agency or local government and enable the City to purchase goods or services at lower prices Interlocal Agreements/Intergovernmental Agreements are an alternative method of meeting the requirements for competitive bidding or competitive sealed proposals, not an exception from that requirement
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OWNER

University of North Texas

Dr. Neal Smatresk, President
 Narendra Dahotre, Provost

February 13, 2019

WHEREAS, on November 12, 2013, City Council authorized a five-year service contract for Environmental Education Initiative programs for Water Utilities and Sanitation Services with the University of North Texas in the amount of \$3,014,270.00, by Resolution No. 13-1919.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute a service price agreement with the University of North Texas (227764) intergovernmental agreement, approved as to form by the City Attorney, for an environmental education initiative program for the Office of Environmental Quality and Sustainability, for a term of five years, in the estimated amount of \$2,252,475.00. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to the University of North Texas shall be based only on the amount of the services directed to be performed by the City and properly performed by the University of North Texas under the contract. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$2,252,475.00, but not more than the amount of budgetary appropriations for this service price agreement during its term to the University of North Texas from Service Contract No. OEQ-2019-00008593.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-135

Item #: 29.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 13, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a five-year service price agreement for a drug and alcohol testing program and medical examination services for the Office of Risk Management - Primary Health, Inc. dba CareNow, most advantageous proposer of two - Estimated amount of \$7,383,400.00 - Financing: Workers Compensation

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for goods and services, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This service price agreement provides a drug and alcohol testing program and medical examination services for the Office of Risk Management. Services will include medical examinations, drug and alcohol testing for new hire candidates, police, fire, and civilian employees, to include:

- Medical examination and drug/alcohol testing for applicable candidates based on job duties
- Department of Transportation (DOT) certifications for employees required to have a Commercial Driver's License (CDL)
- Driver recertification - Fire, Police, and CDL drivers
- Random drug testing - CDL and primary drivers
- Post-accident drug testing
- Return-to-duty examination - performed as a result of a failed DOT recertification
- Audiometric testing (Hearing)
- Lead, silica, and chemical testing that are required by Occupational Safety and Health Administration under the Department of Labor
- Functional capacity evaluation

- Hazardous material physicals
- Hepatitis and tuberculosis testing

Approximately 9,060 employees are tested annually. Of those approximately 1,600 employees fall under the DOT requirements and 3,100 are driver safety physical examinations. New services have been added since the previous solicitation, resulting in a price increase.

A six member committee from the following department reviewed and evaluated the qualifications:

- Department of Sanitation Services (1)
- Police Department (1)
- Water Utilities Department (1)
- Office of Risk Management (1)
- Office of Procurement Services (1)*
- Office of Business Diversity (1)*

*The Office of Procurement Services only evaluated cost and the Office of Business Diversity only evaluated the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Cost 30 points
- Capability/experience 25 points
- Functional/technical 15 points
- Business Inclusion Development 15 points
- Overall approach 10 points
- Training 5 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 1,550 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$11.15; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 12, 2014, City Council authorized a five-year service contract for medical examinations, drug and alcohol testing services for police and civilian employees with Primary Health, Inc. dba CareNow by Resolution No. 14-0289.

The Government Performance & Financial Management Committee will receive this item for consideration on February 4, 2019.

FISCAL INFORMATION

Workers Compensation - \$7,383,400.00 (Estimated amount)

- FY 2018-19 \$1,476,680.00
- FY 2019-20 \$1,476,680.00
- FY 2020-21 \$1,476,680.00
- FY 2021-22 \$1,476,680.00
- FY 2022-23 \$1,476,680.00

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$7,383,400.00	Other Services	23.80%	23.80%	\$1,757,249.20
<ul style="list-style-type: none"> • This contract meets the M/WBE goal. 				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Request for Competitive Sealed Proposal	<ul style="list-style-type: none"> • Utilized for high technology procurements, insurance procurements, and other goods and services • Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications • Always involves a team evaluation • Allows for negotiation on contract terms, including price
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The Office of Procurement Services received the following proposals from solicitation number BLZ1901. We opened them on November 16, 2018. We recommend the City Council award this service contract agreement in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Primary Health, Inc. dba CareNow	645 East State Highway 121 Suite 600 Coppell, TX 75019	85.25	\$ 7,383,400.00

PrimaMed Physicians 1138 North Alma School Road 59.60 \$13,768,150.00
PPLC dba PrimaCare Suite 120
Medical Center Mesa, AZ 85201

OWNER

Primary Health, Inc. dba CareNow

Tim Miller, President
Helen M. O'Donnell, Vice President
Kristopher Russell, Treasurer

February 13, 2019

WHEREAS, on February 12, 2014, City Council authorized a five-year service contract for medical examinations, drug and alcohol testing services for police and civilian employees with Primary Health, Inc. dba CareNow, in an amount not to exceed \$2,136,250.00, by Resolution No. 14-0289.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute a service price agreement with Primary Health, Inc. dba CareNow (518539), approved as to form by the City Attorney, for a drug and alcohol testing program and medical examination services for the Office of Risk Management for a term of five years, in the estimated amount of \$7,383,400.00. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Primary Health, Inc. dba CareNow shall be based only on the amount of the services directed to be performed by the City and properly performed by Primary Health, Inc. dba CareNow under the contract. The amount payable pursuant to this service price agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this service price agreement during its term.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$7,383,400.00, but not more than the amount of budgetary appropriations for this service price agreement during its term to Primary Health, Inc. dba CareNow from Service Price Agreement No. ORM-2019-00009146.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-187

Item #: 30.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 13, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

A resolution adopting rules governing the receipt of electronic submissions for procurement solicitations pursuant to Chapter 252.0415 of the Texas Local Government Code for the purpose of increasing competition, reducing costs associated with the solicitation process, and streamlining the procurement of goods and services - Financing: This action has no cost consideration to the City

BACKGROUND

In mid-2018, the Office of Procurement Services (OPS) researched and acquired an electronic bid submission software to facilitate the procurement process for both City staff and the vending community. Since that time, OPS, with the assistance of Communication & Information Services, has configured and tested Bonfire Interactive to ensure a smooth transition for staff and potential vendors.

Some key benefits to the system include:

- Eliminate manual processes and forms in order to reduce project timelines
- Increase competition, through notification of solicitations reaching thousands of vendors nationwide
- Streamline the solicitation process through an easy and convenient online portal with full customer support
- Automate bid tabulations and evaluations, eliminating hard copy and reducing potential errors
- Provide a secure and fully cloud-based online portal with bank-grade security, disaster recovery plans, automatic compliance and accessibility features

Chapter 252 of the Texas Local Government Code authorizes municipalities to receive competitive bids and proposals through electronic submission if the City Council adopts rules to ensure the identification, security, and confidentiality of electronic bids and proposals, and to ensure that they remain effectively unopened until the proper time. The proposed rules in Exhibit A will satisfy the state requirement and will be used as a guide by staff to implement any necessary changes to

policies and procedures so that the City can begin accepting electronic submissions beginning March 1, 2019. In addition, OPS has worked with the Office of Business Diversity on a vendor outreach and training plan.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will be briefed on this item on February 4, 2019.

FISCAL INFORMATION

This action has no cost consideration to the City.

February 13, 2019

WHEREAS, under Chapter 252 of the Texas Local Government Code, the City of Dallas (the "City") is subject to competitive procurement requirements for certain contracts involving the expenditure of municipal funds in excess of \$50,000.000; and

WHEREAS, the City is authorized under Section 252.0415 of the Texas Local Government Code to receive competitive bids and competitive proposals through electronic transmission if the City Council adopts rules to ensure the identification, security, and confidentiality of electronic bids and proposals, and to ensure that they remain effectively unopened until the proper time; and

WHEREAS, the increased use of electronic communications by businesses and government entities necessitates the ability to accept bids or proposals through electronic transmission; and

WHEREAS, the ability to receive bids and proposals via electronic transmission will potentially lead to the submission of more bids or proposals, thereby increasing competition, potentially reducing prices, improving efficiencies and lowering costs associated with the solicitation process for both vendors and the City; and

WHEREAS, the City Council desires to adopt rules for receipt of electronic bids and proposals so that the City can take advantage of the benefits anticipated by such action.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That in order for the City to receive bids and proposals submitted pursuant to Chapter 252 of the Texas Local Government Code through electronic transmission, the City Council hereby adopts the rules attached hereto in Exhibit A (the "Rules") to ensure the identification, security, and confidentiality of such bids and proposals and to ensure that such bids and proposals remain effectively unopened until the proper time, as required by Section 252.0415 of the Texas Local Government Code.

SECTION 2. That the City Manager is hereby authorized to accept electronic submissions for future procurement solicitations, so long as all processes and procedures comply with the Rules.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly resolved.

Exhibit A

RULES GOVERNING THE RECEIPT OF ELECTRONIC SUBMISSION OF BIDS AND PROPOSALS

I. POLICY STATEMENT FOR ELECTRONIC BIDS OR PROPOSALS

These rules are established by the City of Dallas (the "City") for electronic solicitation procedures in accordance with Section 252.0415, Texas Local Government Code, to ensure the identification, security and confidentiality of electronic bids or proposals, and to ensure that bids or proposals remain effectively unopened until the proper time (the "Rules"). The Rules will apply to both bids and proposals that are submitted to the City pursuant to the requirements of Chapter 252, Texas Local Government Code, as well as those contracts and procurements for which the City has voluntarily elected to follow the competitive processes outlined in Chapter 252, Texas Local Government Code.

- A. All users of the electronic system, shall be assigned a unique user name and password.
- B. Access to the system by authorized users shall be logged and tracked in order to record when any user has accessed the system, and what data the user accessed.
- C. Transmittal of data through the internet shall be encrypted using SSL technology. All sensitive data within the system shall be encrypted using the Advanced Encryption Standard algorithm (AES), or better.
- D. All data shall be encrypted using a time-sensitive mechanism that allows the data to be decrypted only after the Bid Opening specified for each solicitation.
- E. The system shall be synchronized to two or more atomic clocks to ensure exact recording of the bid due date and time, and the receipt of data and time, for each submission.
- F. Neither vendor identities nor the contents of submissions are available during the bidding process.
- G. The City's Purchasing Agent, or his/her designee(s), with an authorized password, and only after the Bid Opening date and time, can request that the bid/proposal be opened and obtain the data in the bid/proposal.
- H. The City will determine when and what information is released to the public pursuant to Texas Law.
- I. The City's Purchasing Agent, is responsible for ensuring that any system utilized by the City for electronic submissions of bids and proposals must comply with all rules set forth, City procurement rules, and State law.



Agenda Information Sheet

File #: 19-59

Item #: 31.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 13, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year master agreement for the purchase of recreation center and physical education supplies for the Park and Recreation Department - Lakeshore Equipment Company dba Lakeshore Learning Materials in the estimated amount of \$175,000.00 and The Prophet Corporation dba Gopher Sport, Gopher Performance Moving minds, play with a purpose in the estimated amount of \$160,000.00, lowest responsible bidders of three - Total estimated amount of \$335,000.00 - Financing: General Fund

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will provide for the purchase of recreation center and physical education supplies for the Park and Recreation (PKR) Department programs and activities to include the following:

- Mayor's Youth Fitness Initiative
- After school programs
- Active senior adult programs
- Summer camps
- Art programs

PKR manages free after school programs and summer programs at 20 Dallas Independent School District schools. Additionally, PKR offers 10 weeks of day camps at 41 recreation centers throughout the City and also provides recreation and leisure activities to senior adults over 55 years of age.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 1,786 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 14, 2016, City Council authorized a three-year master agreement for the purchase of recreation center and physical education supplies with S & S Worldwide, Inc. and BSN Sports by Resolution No. 16-1431.

On August 13, 2014, City Council authorized a three-year master agreement for the purchase of recreation center and physical education supplies with S & S Worldwide, Inc., BSN Sports, Nationwide Supplies and Simba Industries, Inc. by Resolution No. 14-1212.

On January 10, 2019, the Park and Recreation Board authorized a three-year master agreement for the purchase of recreation center and physical education supplies for the Park and Recreation Department with Lakeshore Equipment Company dba Lakeshore Learning Materials and The Prophet Corporation dba Gopher Sport, Gopher Performance Moving minds, play with a purpose.

The Government Performance & Financial Management Committee will receive this item for consideration on February 4, 2019.

FISCAL INFORMATION

General Fund - \$335,000.00 (Estimated amount)

FY 2018-19 \$111,666.66
FY 2019-20 \$111,666.67
FY 2020-21 \$111,666.67

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$335,000.00	Goods	18.00%	0.00%	\$0.00
• This contract does not meet the M/WBE goal, but complies with good faith efforts.				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none"> • Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements • Negotiations are not allowed
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The Office of Procurement Services received the following bids from solicitation number BT1830. We opened them on September 22, 2018. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by group.

*Denotes successful bidders

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*Lakeshore Equipment Company dba Lakeshore Learning Materials	2695 E. Dominguez St. Carson, CA 90895	Multiple Groups
*The Prophet Corporation dba Gopher Sport, Gopher Performance Moving minds, play with a purpose	2525 Lemond St. SW Owatonna, MN 55060	Multiple Groups
Varsity Brands Holding Co., Inc. dba BSN Sports, LLC	14460 Varsity Brands Way Farmers Branch, TX 75244	Multiple Groups

OWNERS

Lakeshore Equipment Company dba Lakeshore Learning Materials

David Bo Kaplan, President
Charles Kaplan, Secretary
Joshua Kaplan, Treasurer

The Prophet Corporation dba Gopher Sport, Gopher Performance Moving minds, play with a purpose

Todd Jennings, President

February 13, 2019

WHEREAS, on September 14, 2016, City Council authorized a three-year master agreement for the purchase of recreation center and physical education supplies with S & S Worldwide, Inc. in the amount of \$269,630.00 and BSN Sports in the amount of \$60,500.00, by Resolution No. 16-1431 and

WHEREAS, on August 13, 2014, City Council authorized a three-year master agreement for the purchase of athletic, recreation and sports equipment and supplies for use throughout the City with S & S Worldwide, Inc. in the amount of \$190,500.00, BSN Sports in the amount of \$144,300.00, Nationwide Supplies in the amount of \$130,400.00, and Simba Industries, Inc. in the amount of \$115,600.00, by Resolution No. 14-1212.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That a master agreement for the purchase of recreation center and physical education supplies for the Park and Recreation Department is authorized with Lakeshore Equipment Company dba Lakeshore Learning Materials (VS0000021104) in the estimated amount of \$175,000.00 and The Prophet Corporation dba Gopher Sport, Gopher Performance Moving minds, play with a purpose (VC19231) in the estimated amount of \$160,000.00, approved as to form by the City Attorney, for a term of three years, in a total estimated amount of \$335,000.00. The amount payable pursuant to this master agreement may exceed the estimated amount, but may not exceed the amount of budgetary appropriations for this master agreement during its term.

SECTION 2. That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for recreation center and physical education supplies for the Park and Recreation Department. If a written contract is required or requested for any or all purchases of recreation center and physical education supplies for the Park and Recreation Department under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

SECTION 3. That the Chief Financial Officer is hereby authorized to disburse funds in an estimated amount of at least \$335,000.00, but not more than the amount of budgetary appropriations for this master agreement during its term to Lakeshore Equipment Company dba Lakeshore Learning Materials and The Prophet Corporation dba Gopher Sport, Gopher Performance Moving minds, play with a purpose from Master Agreement Contract No. PKR-2019-00008683.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 18-1287

Item #: 32.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 13, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize Supplemental Agreement No. 1 to exercise the first of two, one-year renewal options to the service contract with Results Staffing, Inc. for temporary industrial labor for the Department of Sanitation Services - Not to exceed \$8,101,820.00 - Financing: Sanitation Services Fund (subject to appropriations)

BACKGROUND

This action does not encumber funds; the purpose of a service contract is to establish firm pricing for services, for a specific term, which are ordered on an as needed basis.

This service contract provides temporary industrial labor for the Department of Sanitation Services (SAN). Temporary labor is needed to supplement the SAN staff with approximately 210 industrial laborers on a daily basis to collect bulk brush, garbage and recycling; to perform work at transfer stations and the landfill, and to assist in environmental and special service duties. The temporary workers receive daily work supervision and instruction from City staff, but remain employees of the temporary agency. Temporary labor allows SAN the flexibility to adjust its workforce to meet service needs according to daily service demands.

Although Results Staffing, Inc. is a temporary employment agency, their employees have the opportunity to purchase an individual or family health care plan provided by the contractor upon hire. Additionally, the contractor provides skill enhancement and training for their employees and the opportunity to earn paid holidays and vacation.

On November 10, 2015, City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. This contract renewal option includes the most current living wage of \$11.15.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 22, 2016, City Council authorized a three-year service contract, with two one-year renewal options, for temporary industrial labor for Sanitation Services with Results Staffing, Inc. by Resolution No. 16-1049.

The Government Performance & Financial Management Committee will receive this item for consideration on February 4, 2019.

FISCAL INFORMATION

Sanitation Services Fund - \$8,101,820.00 (subject to appropriations)

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$8,101,820.00	Other Services	23.80%	99.27%	\$8,042,320.00
<ul style="list-style-type: none"> • This contract exceeds the M/WBE goal. • Supplemental Agreement No. 1 - 98.92% Overall M/WBE participation 				

OWNER

Results Staffing, Inc.

Norma Devine, President

February 13, 2019

WHEREAS, on June 22, 2016, City Council authorized a three-year service contract, with two one-year renewal options, for temporary industrial labor for Sanitation Services with Results Staffing, Inc., in an amount not to exceed \$20,246,078.16, by Resolution No. 16-1049.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute Supplemental Agreement No. 1 to exercise the first of two, one-year renewal options to the service contract with Results Staffing, Inc. (503279), approved as to form by the City Attorney, for temporary industrial labor for the Department of Sanitation Services, in an amount not to exceed \$8,101,820.00. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Results Staffing, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Results Staffing, Inc. under the contract.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$8,101,820.00 (subject to appropriations) to Results Staffing, Inc. from Service Contract No. POM-2016-00000937.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 19-161

Item #: 39.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 13, 2019

COUNCIL DISTRICT(S): 2

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize **(1)** a five-year management contract, with two five-year extension options, for the management and operation of the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) for the Department of Convention and Event Services - Global Spectrum, LP, dba Spectra Venue Management, most advantageous proposer of two - Not to exceed \$2,841,663 (which includes \$100,000 for costs associated with transition of management responsibilities of the KBHCCD); and **(2)** to establish a City owned account at the City's depository bank funded by annual appropriations for City authorized expenses associated with the operations of KBHCCD - Not to exceed \$249,070,917 - Total not to exceed \$251,912,580 - Financing: Convention Center Fund (subject to annual appropriations)

BACKGROUND

This management contract will provide for the management and all operational responsibilities of the Kay Bailey Hutchison Convention Center Dallas (KBHCCD). This includes responsibility for event management, facility maintenance, and operations of the KBHCCD, a 2 million square foot facility with 1 million square feet of exhibit space, three ballrooms, and 88 meeting rooms. The facility currently books over 100 events annually with definite bookings scheduled through 2026.

The contract will be managed by the Department of Convention and Event Services (CES), an enterprise department with an FY 2018-19 budget of approximately \$109 million. Performance metrics have been contractually established that work toward an annual increase in revenue, the implementation of expense-reducing strategies, and industry-standardization of operational efficiencies. As an example, the recommended vendor has set a year 1 goal of increasing revenue by \$3.8 million and operational efficiencies that reduce expenses by \$1 million. Total compensation, including the base management fee and incentive fees will not exceed \$500,000 annually.

The recommended vendor will be responsible for day-to-day event management, client services, and contract management of custodial services, security, parking, food and beverage, preventive maintenance, and collateral client services such as electrical, communications, and audio visual. As

part of the deliverables for this contract, independently administered and evaluated surveys will be provided to client meeting planners, attendees, and exhibitors to gauge the increase in satisfaction with event management, facility maintenance, and customer service. The recommended vendor will also be evaluated, throughout the term of the contract, on resource development, energy-efficiency enhancements, revenue increases, and operational and preventive maintenance efficiencies that move the convention center toward industry-standardization and greater competitiveness among similarly sized facilities. The contract also includes an initial assessment, of facility related repairs, and the ability for the recommended vendor to procure and manage all facility repair projects under \$25,000. On larger capital projects, the vendor will coordinate with CES Capital Projects Management staff. The initial assessment will be used by CES Capital Project Management staff to inform and guide the development of a long-term campus-based master plan that will allow the KBHCCD to better compete in the marketplace and propel the facility to a higher national ranking within the meeting and convention industry.

Bond Counsel and the City Controller’s Office approved the structure for the flow of funds to ensure compliance with bond covenants. The structure will include segregation of revenues and expenses. An operating account will be established by the City for the vendor’s day-to-day operational expenses. As outlined in the contract, the vendor will establish a separate bank account for receipt of both the management and incentive fees.

The management company will have a 45-day transition period beginning on the contract effective date. Transition costs are budgeted not to exceed \$200,000 with the vendor contributing \$100,000 of those costs. The transition period includes a human resources component where approximately 108 employees will be interviewed and potentially hired by the management company.

An eight member committee from the following departments reviewed and evaluated the qualifications:

- Department of Convention and Event Services (1)
- Building Services Department (1)
- Office of Cultural Affairs (1)
- Department of Planning & Urban Design (1)
- Office of Economic Development (1)
- Department of Public Works (1)
- Office of Business Diversity (1)*
- Office of Procurement Services (1)*

*The Office of Procurement Services only evaluated cost and the Office of Business Diversity only evaluated the Business Inclusion and Development Plan.

The committee selected the successful respondent on the basis of demonstrated competence and qualifications under the following criteria:

- Financial capability 23 points
- Qualifications and experience 23 points
- Project approach 39 points

- Business Inclusion and Development Plan 15 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 1,424 email bid notifications to vendors registered under respective commodities and 14 nationally recognized organizations. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, City Council authorized the wage floor rate of \$11.15, by Resolution No. 15-2141; the selected vendor meets this requirement. Spectra has agreed to pay transitioning CES employees no less than \$13.45, the current lowest wage paid to a CES employee.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee was briefed regarding this matter on January 7, 2019.

FISCAL INFORMATION

Convention Center Fund - \$251,912,580 (subject to annual appropriations)

	Management Fee	Convention Center Operations	Total
FY 2018-19	\$ 341,663.00	\$ 27,241,917.00	\$ 27,583,580.00
FY 2019-20	\$ 500,000.00	\$ 40,279,000.00	\$ 40,779,000.00
FY 2020-21	\$ 500,000.00	\$ 43,196,000.00	\$ 43,696,000.00
FY 2021-22	\$ 500,000.00	\$ 44,994,000.00	\$ 45,494,000.00
FY 2022-23	\$ 500,000.00	\$ 46,201,000.00	\$ 46,701,000.00
FY 2023-24	\$ 500,000.00	\$ 47,159,000.00	\$ 47,659,000.00
5-Year Total	\$2,841,663.00	\$249,070,917.00	\$251,912,580.00

M/WBE INFORMATION

In accordance with the City’s Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$2,841,663.00	Other Services	23.80%	57.57%	\$1,636,000.00
• This contract exceeds the M/WBE goal.				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Request for Competitive Sealed Proposal	<ul style="list-style-type: none"> • Utilized for high technology procurements, insurance procurements, and other goods and services • Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications • Always involves a team evaluation • Allows for negotiation on contract terms, including price
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The Office of Procurement Services received the following proposals from solicitation number BGZ1802. We opened them on July 12, 2018. We recommend the City Council award this management contract in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Global Spectrum, LP, dba Spectra Venue Management	3601 S. Broad St. Philadelphia, PA 19148	85.06	\$500,000.00
SMG Holdings, LLC	300 Conshohocken State Rd. Suite 770 W. Conshohocken, PA 19428	80.41	\$675,000.00

OWNER

Global Spectrum, LP, dba Spectra Venue Management

Brian Rothenberg, President
James Pekala, Vice President

February 13, 2019

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to **(1)** execute a management contract with Global Spectrum, LP, dba Spectra Venue Management (VC16378), approved as to form by the City Attorney, for the management and operation of the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) for the Department of Convention and Event Services for a term of five years, with two five-year extension options in an amount not to exceed \$2,841,663.00, (which includes \$100,000.00 for costs associated with transition of management responsibilities of the KBHCCD), and **(2)** establish a City owned account at the City's depository bank funded by annual appropriations to Convention Center Fund 0080 for City authorized expenses associated with the operations of KBHCCD in an amount not to exceed \$249,070,917.00 over the initial term of the contract. If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Global Spectrum, LP, dba Spectra Venue Management shall be based only on the amount of the services directed to be performed by the City and properly performed by Global Spectrum, LP, dba Spectra Venue Management under the contract.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse a prorated management fee of \$125,000.03 in full-month installments of \$16,666.67, \$100,000.00 in transition costs and an amount of pro-rated incentive fees not to exceed \$116,662.97, for a total amount not to exceed \$341,663.00 in year one from Convention Center Fund, Fund 0080, Department CCT, Unit 7840, Object Code 3071 to Global Spectrum LP, dba Spectra Venue Management from Service Contract No. CCT-2019-00009314.

SECTION 3. That the Chief Financial Officer is hereby authorized to disburse a \$200,000.00 annual management fee paid in monthly installments of \$16,666.67 and \$300,000.00 in financial and qualitative incentive fees, in a total amount not to exceed \$500,000.00 annually for combined management and incentive fees, based on satisfactory performance on contractually established metrics and subject to annual appropriations, for the remaining term of the contract following the transition in an amount not to exceed \$2,500,000.00 from Convention Center Fund, Fund 0080, Department CCT, Unit 7840, Object Code 3071, to Global Spectrum LP, dba Spectra Venue Management from Service Contract No. CCT-2019-00009314.

SECTION 4. That the Chief Financial Officer is hereby authorized to transfer an amount not to exceed \$27,241,917.00 from Convention Center Fund, Fund 0080, Department CCT, Unit 7873, Object Code 3072 to a City owned account at the City's depository bank for KBHCCD operating expenses which Global Spectrum, LP, dba Spectra Venue Management has access to in year one of Service Contract No. CCT-2019-00009314.

February 13, 2019

SECTION 5. That the Chief Financial Officer is hereby authorized to transfer funds from the Convention Center Fund, Fund 0080, Department CCT, Unit 7873, Object Code 3072 to a City owned account at the City's depository bank funded for KBHCCD operating expenses which Global Spectrum, LP, dba Spectra Venue Management has access to, subject to annual appropriations as follows:

- FY 2019-20: \$40,279,000.00
- FY 2020-21: \$43,196,000.00
- FY 2021-22: \$44,994,000.00
- FY 2022-23: \$46,201,000.00
- FY 2023-24: \$47,159,000.00

That the total amount to be transferred from Convention Center Fund 0080 to a City owned account at the City's depository bank for City authorized expenses associated with the operations of KBHCCD, inclusive of year one and subject to annual appropriations, shall not exceed \$249,070,917.00 over the initial term of the contract.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Memorandum



DATE: February 1, 2019

TO: Honorable Members of the Government Performance & Financial Management Committee:
Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson, Lee M. Kleinman,
Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT: Office of the City Auditor – Fiscal Year 2019 Second Quarter Update

Carol A. Smith, Interim City Auditor, will provide a briefing to the members of the Government Performance & Financial Management Committee on Monday, February 4, 2019 regarding:

- Office of the City Auditor – Fiscal Year 2019 Second Quarter Update

Respectfully,



Carol A. Smith
Interim City Auditor

c: Honorable Members of the City Council
T.C. Broadnax, City Manager
Christopher J. Caso, Interim City Attorney
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Nadia Chandler Hardy, Assistant City Manager & Chief Resilience Officer
Jon Fortune, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Joey Zapata, Assistant City Manager
Directors and Assistant Directors

Office of the City Auditor – Fiscal Year 2019 Second Quarter Update

**Government Performance & Financial
Management Committee
February 4, 2018**

**Carol A. Smith, Interim City Auditor
Office of the City Auditor
City of Dallas**



Audit, Attestation, and Investigative Services

Second Quarter Update



Reports Issued

First Quarter Fiscal Year 2019 (October 1 – December 31)

Performance Audits

- Audit of the Dallas Police Department's Off-Duty Employment Program (A19-001)
- Audit of Surveillance Camera Oversight (A19-002)
- Audit of MuniServices, LLC Contract – Summary of Sales/Use Tax Receipts and Associated Fees (A19-003)
- Audit of TexasCityServices, LLC Contract Related to the Verification of Sales\Use Tax Receipts and Associated Fees (A19-004)
- Audit of Business Partners Oversight – Department of Park and Recreation (A19-005)



Audit of the Dallas Police Department's Off-Duty Employment Program

Release Date: November 9, 2018

Objective(s): Evaluate: (1) the Dallas Police Department's (DPD) internal controls over off-duty employment; and, (2) whether DPD officers adhere to the DPD policies related to off-duty employment

Scope: Fiscal Years (FY) 2016 through 2017*

Conclusion(s): The DPD's Off-Duty Employment Program (Program) allows sworn DPD officers to work off-duty law enforcement jobs (off-duty employment) in addition to regular on-duty work hours. Studies show off-duty employment programs can provide benefits both to the City of Dallas and to the individual police officers.

** Certain other matters, procedures, and transactions occurring outside that period were reviewed to understand and verify information related to the audit period*



Audit of the Dallas Police Department's Off-Duty Employment Program

The DPD's General Order 421.00, *Off-Duty Employment* (General Order 421.00), establishes the policies and procedures for the Program; however, DPD officers do not always comply with the existing internal controls included in General Order 421.00. Additionally, DPD does not have adequate information and internal controls to manage and monitor the Program.

As a result, the potential benefits of the Program may be diminished.



Audit of the Dallas Police Department's Off-Duty Employment Program

The following issues were noted where additional information and internal controls are needed to improve the Program. Specifically,

- Internal controls specified in General Order 421.00 do not consistently align with the best practices of the: (1) International Association of Chiefs of Police (IACP) Model Policy for *Secondary Employment* (IACP Model Policy); and, (2) majority of the 19 city police departments judgmentally sampled to benchmark policies and procedures for administering an off-duty employment program



Audit of the Dallas Police Department's Off-Duty Employment Program

- DPD officers do not always comply with existing internal controls included in General Order 421.00 when requesting, approving, and monitoring off-duty employment requests
- The off-duty module of the Intelligent Workforce Management System (IWM), DPD's automated workforce management system, does not include the necessary information and internal controls to properly manage off-duty employment requests, the associated supervisory approvals, and ongoing monitoring activities



Audit of the Dallas Police Department's Off-Duty Employment Program

We recommended:

- The **Chief of Police** implements additional internal controls over the Program to align with the IACP Model Policy and the best practices of the majority of the 19 city police departments benchmarked by:
 - Implementing a dedicated central authority within DPD with responsibility for Program oversight, such as a contract system
 - Decreasing total work hours from 112 hours per week to an amount that minimizes the risks that the IACP identified. Note: Total work hours consist of regular-duty hours (including overtime and court duties) and off-duty employment hours.

Audit of the Dallas Police Department's Off-Duty Employment Program

- Consolidating guidelines for restrictions and prohibitions related to off-duty employment into one section of General Order 421.00
- Providing clear definitions for important terms in General Order 421.00, including aligning DPD's terms with the IACP Model Policy definitions for secondary employment



Audit of the Dallas Police Department's Off-Duty Employment Program

- Updating all areas of the General Order 421.00 to reflect current DPD practices and procedures
- Giving DPD supervisors authorizing off-duty requests direct oversight of the off-duty employment



Audit of the Dallas Police Department's Off-Duty Employment Program

We recommended:

- The **Chief of Police** ensures DPD officers comply with existing internal controls included in General Order 421.00 when requesting, approving, and monitoring off-duty employment by:
 - Developing and implementing training that includes General Order 421.00, and requiring DPD officers to complete the training prior to requesting off-duty employment
 - Confirming DPD officers submit off-duty employment requests timely and properly document late requests

Audit of the Dallas Police Department's Off-Duty Employment Program

- Requiring DPD supervisors to compare DPD officers' sick leave requests and off-duty employment requests prior to approving the off-duty employment requests
- Confirming DPD supervisors approve off-duty employment requests timely
- Verifying the Safety Unit confirms and files long forms for off-duty employment requests where the DPD officers obtained approval to work at an establishment whose principal specialty is dispensing/selling alcoholic beverages



Audit of the Dallas Police Department's Off-Duty Employment Program

- Verifying that DPD supervisors: (1) complete periodic on-site inspections of off-duty employment locations; and, (2) document and properly file the *Off-Duty Employment Verification* form
- Establishing a monitoring process to periodically evaluate DPD officers' and supervisors' compliance with General Order 421.00



Audit of the Dallas Police Department's Off-Duty Employment Program

We recommended:

- The **Chief of Police** ensures the IWM System or an alternative automated system includes the necessary information and internal controls to properly manage off-duty employment requests, the associated supervisory approvals, and ongoing monitoring activities by:
 - Including the actual off-duty employment hours worked
 - Notifying DPD supervisors authorizing off-duty employment requests when off duty employment requests are pending approval
 - Ensuring DPD supervisors authorizing off-duty employment requests can independently confirm the DPD officers' compliance with General Order 421.00 prior to approving off-duty employment requests

Audit of the Dallas Police Department's Off-Duty Employment Program

- Including edit checks that automatically reject certain off-duty employment requests when:
 - Certain parameters are not met, such as confirming the requestor is eligible to participate in the Program
 - DPD officers' projected hours exceed specified thresholds, such as exceeding the 16 hour a day limit



Audit of Surveillance Camera Oversight

Release Date: December 7, 2018

Objective(s): Determine whether the City of Dallas (City) adequately/effectively manages and maintains its networks of surveillance cameras. Surveillance cameras such as body cameras, traffic cameras, trail cameras, etc. were excluded from the audit

Scope: Management operations of closed-circuit television (CCTV) camera systems from October 1, 2016 through March 31, 2018*

Conclusion(s): The Office of the City Auditor's internal control design assessment showed the City does not have appropriate internal controls for managing and maintaining CCTV camera systems at City owned and leased facilities..

** Certain other matters, procedures, and transactions occurring outside that period were reviewed to understand and verify information related to the audit period*

Audit of Surveillance Camera Oversight

As a result, the City's use of CCTV camera systems for:

- Public safety and security
- Monitoring operational activities
- Safeguarding property and equipment may not be effective

Specifically, the City does not have formal policies and procedures (written, approved, and dated) for the management and maintenance of CCTV camera systems, such as defining formal data retention requirements.

Audit of Surveillance Camera Oversight

We recommended the City Manager ensures:

- The City has appropriate internal controls for the management and maintenance of CCTV camera systems by developing formal city-wide policies and procedures (e.g., Administrative Directive), that incorporate standards or best practices such as the U.S. Department of Homeland Security's CCTV: Developing Privacy Best Practices principles and relevant elements, including defining the formal data retention requirements for CCTV camera systems' data
- Responsible departments comply with the newly established requirements in the city-wide policies and procedures



Audit of MuniServices, LLC Contract – Summary of Sales/Use Tax Receipts and Associated Fees

Release Date: December 7, 2018

Objective(s): Determine whether the fees associated with MuniServices, LLC's (Consultant) identification of incorrectly remitted sales/use tax for FYs 2011 through 2018 were accurate and supported by the Texas State Comptroller of Public Accountants (Comptroller).

Conclusion(s): *See next slide*



Audit of MuniServices, LLC Contract – Summary of Sales/Use Tax Receipts and Associated Fees

Since contract inception, the Office of the City Auditor has verified a total of:

- \$6,171,795 in sales/use tax receipts collections the Consultant identified as owed to the City [\$121,890 of these collections related to FY 2018]
- \$1,649,221 in Consultant invoices for payment of the Consultant's percentage of the amount collected under the contingent fee contract arrangement with the City (\$35,449 of these invoices related to FY 2018)

Recommendations: (None)

Audit of TexasCityServices, LLC Contract Related to the Verification of Sales/Use Tax Receipts and Associated Fees

Release Date: December 7, 2018

Objective(s): Determine whether the fees associated with TexasCityServices, LLC's (Consultant) identification of incorrectly remitted sales/use tax for FY 2017 through FY 2018 are accurate and supported by the Comptroller

Conclusion(s): From January 1, 2017 through October 11, 2018, the Office of the City Auditor verified \$3,871,338 in sales/use tax receipts collections that the Consultant identified as owed to the City from businesses operating in the City.

The Office of the City Auditor also verified that \$929,120 in Consultant invoices received were accurate.

Recommendations: (None)



Audit of Business Partners Oversight – Department of Park and Recreation

Release Date: December 7, 2018

Objective(s): Evaluate the financial, operational, and other risks for the major business partners operating facilities under the oversight of the Department of Park and Recreation (PKR) and the City's oversight and monitoring controls. The audit focused on two major business partners and the associated oversight and monitoring responsibilities provided by the Leisure Venue Destination Management (LVDM) Division.

Scope: Management operations from FY 2017 through FY 2018*

Conclusion(s): The PKR's LVDM Division has policies and procedures in place for oversight and monitoring of long-term facility contracts (Contracts). Certain contract monitoring procedures, however, were either not performed or not fully completed.

** Certain other matters, procedures, and transactions occurring outside that period were reviewed to understand and verify information related to the audit period*



Audit of Business Partners Oversight – Department of Park and Recreation

The Office of the City Auditor’s risk evaluation also identified some areas of financial risk for the Dallas Zoological Society/Dallas Zoo Management, Inc. (DZS/DZM) and the Dallas Arboretum and Botanical Society (DABS). As a result, PKR cannot ensure adequate oversight and contract monitoring of DZS/DZM and DABS and closer monitoring by PKR is warranted.

In addition, revenues generated by Elm Fork Shooting Sports, Inc., and the golf courses and the tennis centers were not sufficiently validated to ensure complete and accurate revenues were received by the City. Shortcomings with DZS/DZM and DABS Contracts were also noted.



Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the Director of PKR:

- Ensures LVDM performs and fully completes contract oversight and monitoring procedures as specified by LVDM policies and procedures
- Maintains adequate and qualified personnel by working with the City's Department of Human Resources to evaluate and streamline the recruiting and hiring process for LVDM contract administrators



Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the **Director of PKR** ensures all necessary contract monitoring activities are properly executed by:

- Minimizing the fragmentation and increasing coordination among PKR's divisions and other City departments which may include:
 - Defining and agreeing upon roles and responsibilities
 - Establishing compatible policies and procedures across PKR divisions with contract oversight and monitoring responsibilities
 - Reinforcing LVDM's role as the centralized oversight function within PKR to monitor and evaluate the adequacy of contract monitoring activities performed by PKR divisions and other City departments

Audit of Business Partners Oversight – Department of Park and Recreation

- Confirming personnel have the specialized skills and experience to oversee specific contract oversight and monitoring activities, such as conveyance of capital assets and analysis of financial data to ensure contract compliance

We recommended the Director of PKR in coordination with the **City Manager**:

- Develops a consistent process for receiving DZS/DZM requests to convey new assets; identifies the City department or division to receive such requests; and communicates the process to DZS/DZM
- *See next slide*



Audit of Business Partners Oversight – Department of Park and Recreation

- Develops and implements policies and procedures to ensure new assets acquired by DZS/DZM are consistently conveyed to the City. This may include:
 - Defining and agreeing upon roles and responsibilities
 - Establishing compatible policies and procedures to operate across departments and PKR divisions
 - Centralizing oversight by LVDM to ensure receipt of information needed to fulfill contract monitoring responsibilities related to conveyance of assets

Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the Director of PKR:

- Ensures completion of an energy audit to establish the optimum energy usage
- Coordinates with DABS and appropriate authorities, such as the City Council and the Dallas Park and Recreation Board, to establish more clearly defined caps or limitations on the amounts the City is authorized to disburse for utilities consumed at the Dallas Arboretum
- Ensures LVDM's Senior Contract Compliance Administrator or other designated personnel reviews DABS' utility invoices before payment disbursement to ensure proper payment as authorized by the contract and applicable current or future City Council resolution(s). If a pre-review of utility invoices is not feasible, ensure that a post-payment review of utility invoices is completed.



Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the Director of PKR:

- Ensures LVDM and PKR Special Services validate the accuracy and completeness of gross sales and revenue reported by the contractors managing Elm Fork, the golf courses, and the tennis centers
- Implements consistent policies and procedures to review additional contractor documentation, such as daily cash drawer counts, close out reports to credit card reports (z-tapes), cash receipts, check deposits, and bank reconciliations
- *See next slide*

Audit of Business Partners Oversight – Department of Park and Recreation

- Requires the golf courses and the tennis centers to obtain and provide externally validated or audited gross sales reports
- Requires contractors to apply appropriate internal controls for the handling and recording of cash receipts by formally notifying contractors either in supplemental contract agreements or when contracts are renewed



Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the Director of PKR:

- Assesses the current policy and procedure for distributing Dallas Arboretum complimentary tickets to identify ways to accomplish the objective to provide all City residents equitable access to the Dallas Arboretum
- *See next slide*



Audit of Business Partners Oversight – Department of Park and Recreation

- Implements a consistent procedure for:
 - Communicating the overall purpose of the Program to recreation center staff responsible for distributing the complimentary Dallas Arboretum tickets
 - Advertising or communicating the availability of the complimentary Dallas Arboretum tickets to the public
 - Managing practical aspects of the Program, such as the number of complimentary Dallas Arboretum tickets allowed annually per resident and how to distribute the tickets equitably across the City, by continuing to monitor the Program and make adjustments as necessary



Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the Director of PKR, in consultation with the City Attorney's Office, work with DZS/DZM and the Department of Sustainable Development and Construction to:

- Clarify the language in the contract regarding ownership of land purchased by DZS/DZM before the Dallas Zoo privatization
- Convey the land to the City if the clarified contract language results in a determination that the land should have been transferred



Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the Director of PKR:

- Develops a process to annually define the specific performance indicators or measures and other relevant information agreed upon by DZS/DZM and DABS
- Identifies how PKR personnel will evaluate performance, including the specific performance information required for evaluation and when the information should be received by PKR personnel
- Ensures that PKR personnel are conducting periodic performance analysis as required by LVDM policies and procedures



Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the **Director of PKR**, in consultation with the **City Attorney's Office**, work with **DZS/DZM** and **DABS** to include in a supplemental contract agreement a process to annually define the specific performance indicators or measures and other relevant information as described in Recommendation VIII (which was discussed on slide 34).



Audit of Business Partners Oversight – Department of Park and Recreation

We recommended the **Director of PKR**, implements procedures to more closely monitor the financial position of these two business partners, including the financial risks noted.

We recommended the **Director of PKR** works with the DZS/DZM and DABS to seek ways to diversify their revenue sources and obtain sustainable investment options. This may require memorandums of understanding or supplemental agreements to the existing Contracts that include performance expectations that measure fundraising progress or other initiatives that seek to diversify DZS/DZM and DABS' funding sources.

We recommended the **Director of PKR** implements policies and procedures to ensure DABS' fulfillment of matching requirements aligns with Section 3.2 of the contract. If additional or revised language is needed, we recommended the Director of PKR, in consultation with the City Attorney's Office, works with DABS to develop a supplemental contract agreement.



Investigative Services Performed

First Quarter Fiscal Year 2018 (October 1 – December 31)

Investigative Services opened 37 new cases during the first quarter. Examples of allegations received include:

- Violations of departmental policy
- Environment, health, and safety issues
- Theft
- Misuse of City resources



Investigative Services Performed

First Quarter Fiscal Year 2018 (October 1 – December 31)

Eighty-three cases were closed during the period. Of these, **13** were investigated and closed by the Office of the City Auditor resulting in two substantiated complaints, both of which related to employee relations. The substantiated complaints led to accountability actions including:

- Reassigned seating for employees
- Employee counseling



Investigative Services Performed

First Quarter Fiscal Year 2018 (October 1 – December 31)

The remaining **70 complaints** were not investigated:

- **Ten** were not related to the City
- **Sixty** complaints pertaining to the same incident were dismissed by the Ethics Advisory Commission's Preliminary Panel



Reports Issued Second Quarter to Date

Second Quarter Fiscal Year 2019 (January 1 – February 4)

Performance Audits

- Audit of VisitDallas (A19-006) - to be briefed separately

Investigative Services

- Summary of Investigative Reports closed in Fiscal Year 2018 (I19-001)
 - Dallas Public Library – Theft
 - Building Services Department – Criminal Trespass
 - Building Services Department – Theft and Tampering with a Government Record



Summary of Investigative Reports Closed in Fiscal Year 2018

Release Date: January 23, 2019

Results: This memorandum provides a brief overview of the results for three separate investigative reports closed during FY 2018. Specifically, these results include criminal investigations of allegations involving:

- Theft of cash by Dallas Public Library employee, Shameka Griffith, Customer Service Representative
- Criminal trespass by Building Services Department (BSD) employees: Jeffrey Landsbaum, Alan Ramos, and Nicholas Smith
- Engaging in an organized criminal activity – theft of City of Dallas (City) property and tampering with a government record by various BSD employees



Summary of Investigative Reports Closed in Fiscal Year 2018

- It should be noted that City management and a concerned employee initiated each of these investigations by proactively reporting to the Office of the City Auditor, the allegations on the previous slide, involving employee(s) in their respective departments.
- In addition, in response to these investigative results, City management reported taking subsequent corrective actions.



Anticipated Report Releases

Second Quarter Fiscal Year 2018 (January 1 – March 31)

Performance Audits

- Special Audit of the Accounts of Former City Attorney, Larry Casto – City Attorney’s Office
- Special Audit of the Accounts of Former City Council Member Dwaine R. Caraway – Mayor and City Council Office
- Water Quality and Safety, Testing, and Monitoring – Dallas Water Utilities



Projects in Progress

Second Quarter Fiscal Year 2018 (January 1 – March 31)

Performance Audits

- Business Partner Oversight of Texas Horse Park – Department of Dallas Water Utilities
- Business Partner Oversight of White Rock Boathouse – Department of Park and Recreation
- City of Dallas' Purchasing and Travel Cards – Office of Procurement Services/Multiple Departments
- Dallas Police Department's Complaint Process
- Fiscal Year 2019 Audit Follow-Up of Prior Audit Recommendations: Construction Related Procurements – Multiple Departments



Projects in Progress

Second Quarter Fiscal Year 2018 (January 1 – March 31)

- Fiscal Year 2019 Audit Follow-Up Prior Audit Recommendations: Court Information System – Cash Management/Collections Processes
- Fiscal Year 2019 Audit Follow-Up Prior Audit Recommendations: Fiscal Years 2016, 2017, and 2018 – Multiple Departments
- Fiscal Year 2019 Audit Follow-Up Prior Audit Recommendations: Homeless Response System Effectiveness – Office of Homeless Solutions
- Management of the City's Surplus Real Properties – Department of Sustainable Development and Construction
- Open Records Request Process – City Secretary's Office



Projects in Progress

Second Quarter Fiscal Year 2018 (January 1 – March 31)

- Performance Measurement Process – Multiple Departments
- Security and Safety Protocols for Large Public Venues Owned or Managed by the City – Multiple Departments
- Franchise Fees Review through Third-Party Vendor (*Ongoing*)
- Sales/Use Tax Compliance Review through Third-Party Vendor (*Ongoing*)



Anticipated Project Starts

Second Quarter Fiscal Year 2018 (January 1 – March 31)

Performance Audits

- Audit of Information Technology – Department of Communication Information Services
- Audit of Notification of Security Violations – Department of Communication Information Services



Appendix – Report Links

Performance Audits

- [Audit of Dallas Police Department's Off-Duty Employment Program \(A19-001\)](#)
- [Audit of Surveillance Camera Oversight \(A19-002\)](#)
- [Audit of MuniServices, LLC Contract - Summary of Sales/Use Tax Receipts and Associated Fees \(A19-003\)](#)
- [Audit of TexasCityServices, LLC Contract Related to the Verification of Sales/Use Tax Receipts and Associated Fees \(A19-004\)](#)
- [Audit of Business Partners Oversight - Department of Park and Recreation \(A19-005\)](#)



Appendix – Report Links

Performance Audits

- [Audit of VisitDallas](#) (A19-006)
- [Summary of Investigative Reports Closed in Fiscal Year 2018](#) (I19-001)



Office of the City Auditor – Fiscal Year 2019 Second Quarter Update

**Government Performance & Financial
Management Committee
February 4, 2018**

**Carol A. Smith, Interim City Auditor
Office of the City Auditor
City of Dallas**



Memorandum



CITY OF DALLAS

DATE February 1, 2019

Honorable Members of the Government Performance & Financial Management
TO Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,
Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **UNT Law School Interlocal Agreement**

On Monday, February 4, 2019, you will be briefed on a proposed City Attorney's Office Interlocal Agreement with the University of North Texas Law School. The briefing materials are attached for your review. Officials of the law school will be in attendance to answer any questions.

A handwritten signature in blue ink, appearing to read 'C. Caso', written over a large, light blue circular stamp.

Christopher J. Caso
Interim City Attorney

[Attachment]

Honorable Mayor and Members of City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (I)
Carol Smith, City Auditor (I)
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience
Officer M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors

UNT Law School Interlocal Agreement

**Government Performance
and Financial Management
Committee**

February 4, 2019



City of Dallas

**Chris Caso
Interim City Attorney**

Agenda

- CAO Internship Program Overview
- UNT Dallas College of Law Overview
- Relationship Opportunities
- Questions

CAO Internship Program

- The CAO Law Student Internship Program offers three 4-week paid internships for currently enrolled law students each session during the summer months.
- Each session consists of a rotation with four sections of the office: 1) Municipal Prosecution, 2) Community Courts and Community Prosecution, 3) General Counsel, and 4) Litigation.
- The internship is designed to provide exposure to a wide variety of legal practices within a major local government.
- Interns are assigned a mentor to help navigate through the program and serve as a valuable resource.
- Remote internships and special projects are available.

UNT Dallas College of Law

- Provides a uniquely innovative legal education at an extremely competitive cost located in Downtown Dallas.
- Offers an evening program for working students.
- Evaluates students holistically, considering life experience, LSAT scores, and GPAs.
- Courses include components in which legal theory is applied through activities simulating the practice of law.

Relationship Opportunities

The CAO and UNT Dallas College of Law relationship is proposed to be expanded to include:

- Neighborhood Legal Workshops
- Continuing Legal Education with Law School Faculty
- Career Opportunities
- Students to work in municipal and community courts
- Clinics
- Enhanced relationships with other City Departments

QUESTIONS



UNT Law School Interlocal Agreement

**Government Performance
and Financial Management
Committee**

February 4, 2019



City of Dallas

**Chris Caso
Interim City Attorney**

Memorandum



CITY OF DALLAS

DATE February 1, 2019

TO Honorable Members of the Government Performance & Financial Management Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson, Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **2018 Diversity Accomplishments & Performance Report**

On Monday, February 4, 2019, the Office of Business Diversity will brief the Government Performance & Financial Management Committee on the 2018 Diversity Accomplishments & Performance Report. I have attached the briefing for your review.

Please let me know if you need additional information.

A handwritten signature in black ink, appearing to read 'Kimberly Bizer Tolbert', written over a large, stylized circular flourish.

Kimberly Bizer Tolbert
Chief of Staff to the City Manager

Attachment

c: Honorable Mayor and Members of City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (I)
Carol Smith, City Auditor (I)
Billieae Johnson, City Secretary
Preston Robinson, Administrative Judge
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Laila Aleqresh, Chief Innovation Officer
Directors and Assistant Directors

2018 Diversity Accomplishments & Performance Report

Government Performance and
Financial Management
Committee Briefing

February 4, 2019



Zarin D. Gracey
Director
Office of Business Diversity

City of Dallas

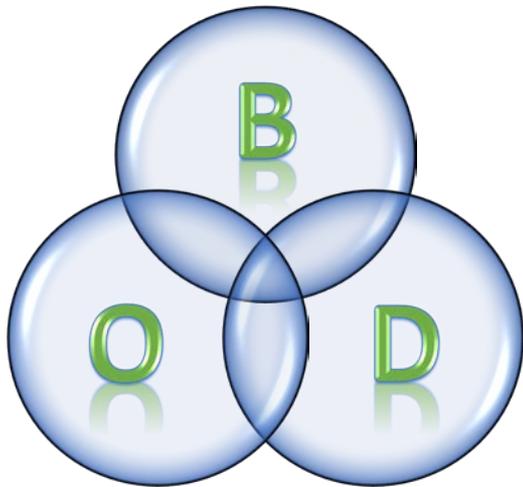
Outline

- Program Mission and Objectives
- Meet the Team
 - New Website
- 2018 Highlights
- 2018 Diversity Accomplishments & Performance Report
- A Look Ahead
- Questions

Mission and Objectives

Mission Statement

To ensure non-discriminatory practices and eliminate barriers while resourcing businesses to the next step in their business life cycle.



OPPORTUNITY CREATION

Provide conditions for growth and development through training, communication, and resource connections.

BUILDING CAPACITY

Develop strategic partnerships through intentional, coordinated, and mission-driven efforts aimed at strengthening the management and operations of S/M/WBE businesses to improve their performance and economic impact.

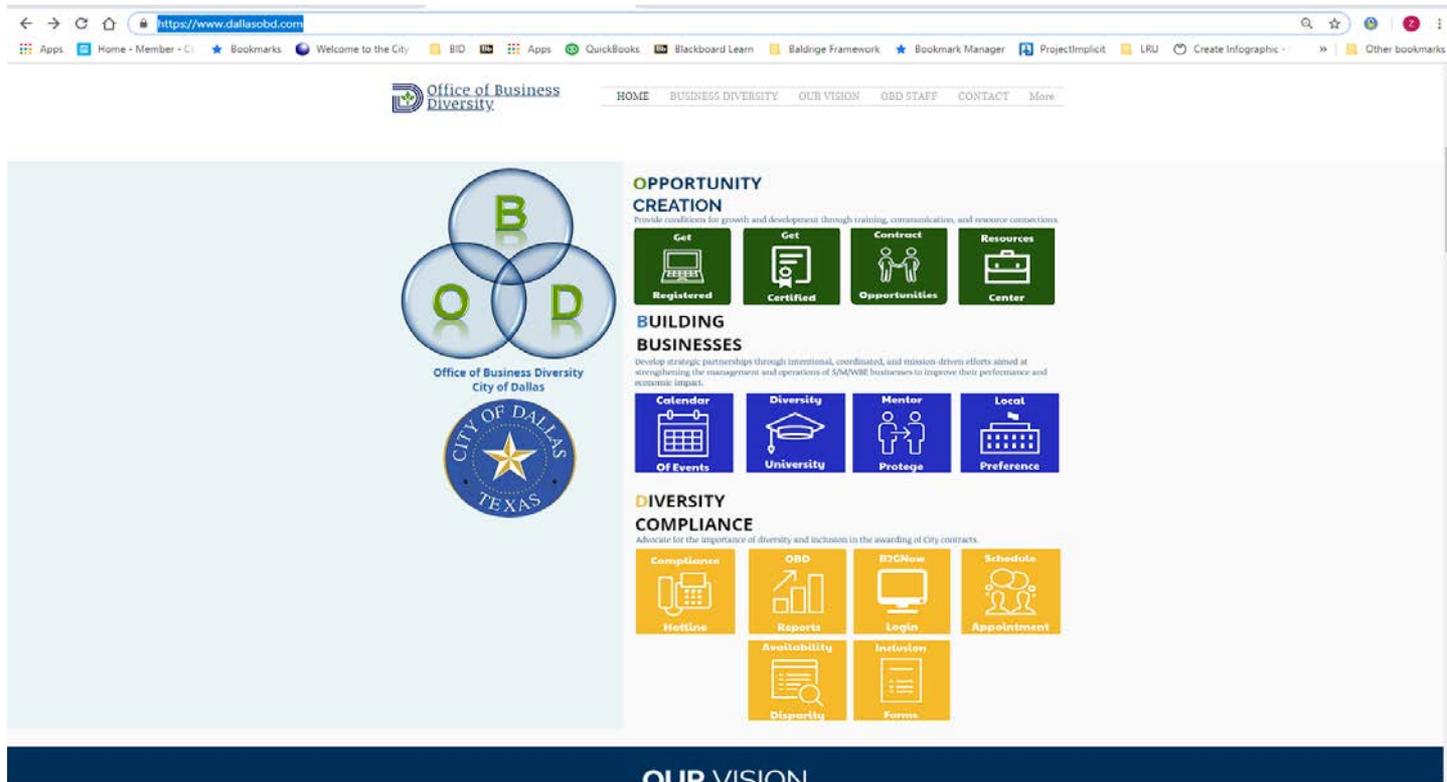
DIVERSITY COMPLIANCE

Advocate for the importance of diversity and inclusion in the awarding of City contracts.

Meet the Team



New OBD Website



<https://www.dallasobd.com/>

Outreach Events Highlights



6

2018 Highlights

Training/Outreach

- 149 Training and outreach events
- 336 one-on-one's
- Implicit Bias training for all project managers
- Diversity University
 - Diversity Compliance: Making inclusion a reality vs. a goal
 - Procurement simulation
- Specialized Contracting Outreach
 - personal/artist services for instructors, performers, etc ⁷

2018 Highlights

2017 Bond Program

- Program Manager Consultants
 - Three contracts awarded: Horizontal, Vertical, Parks
 - Total Value: \$14.98M
 - Total M/WBE participation: \$9.79M or 65.33%
 - 2 of the 3 teams are joint ventures
 - One team is 100% minority joint venture

2018 Highlights

2017 Bond Program

- Architecture & Engineering Projects
 - Solicitation for streets, transportation, flood protection, and storm drainage resulted in:
 - 70 firms responding (33 were M/WBEs)
 - 60 firms were awarded contracts (29 were M/WBEs)
 - \$91.8M or 45.10% overall M/WBE participation

2018 Awards & Recognitions

Awards

- Most Outstanding Diversity Champion of the Year (Asian American Contractors Association of Texas)
- Minority Small Business Champion of the Year (U.S. Small Business Administration)
- Buy Those That Buy Us Honoree (DFW Minority Supplier Development Council)
- Supplier Diversity Champion of the Year (Subcontractors USA)

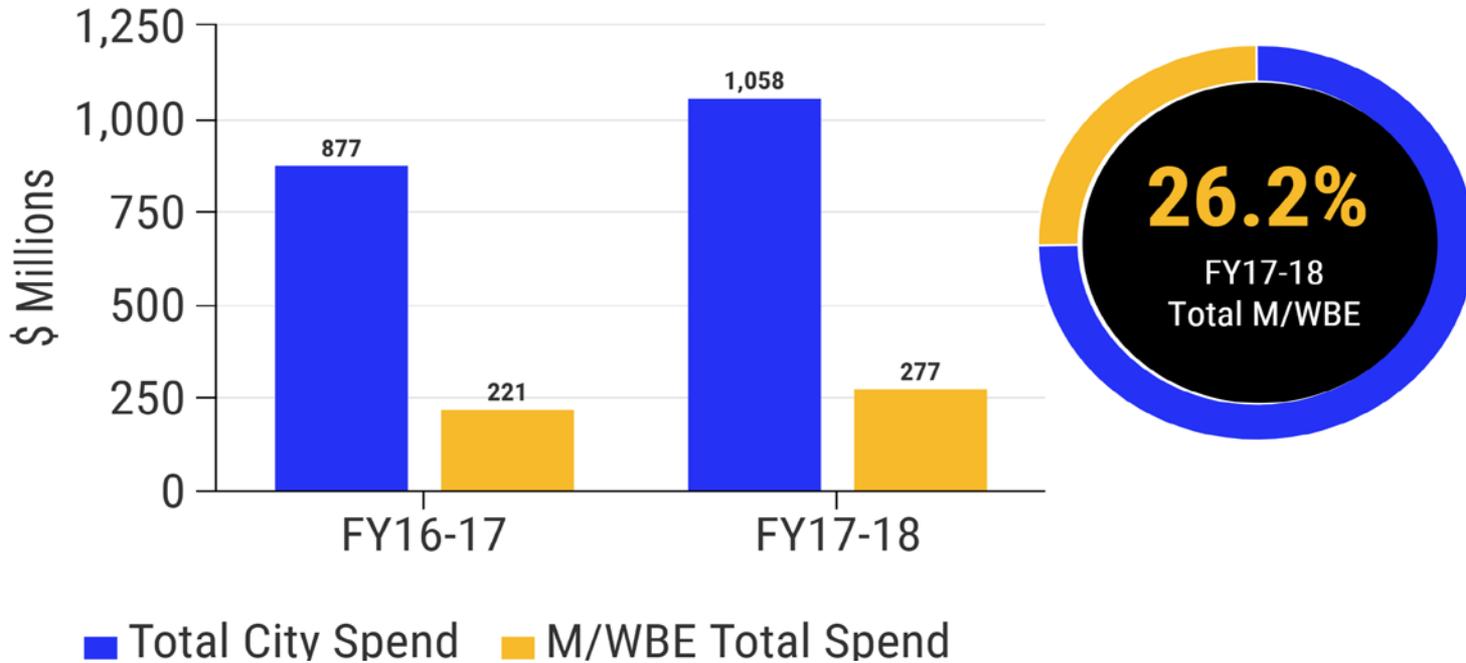
Nominations

- Diversity Advocate of the Year (Regional Hispanic Contractors Association)
 - 4 staff members nominated

2018 Diversity Accomplishments & Performance Report

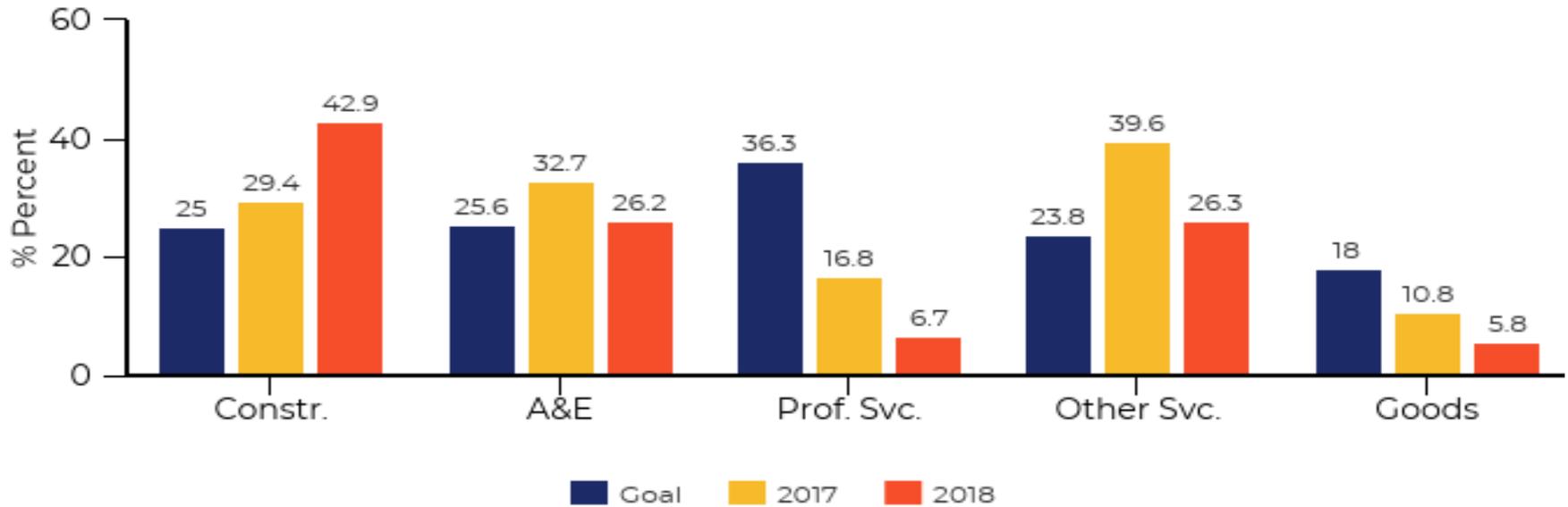
11

2018 Diversity M/WBE Performance Report



- Total City spend increased from \$877M to \$1.06B which represents a 20.6% increase
- Total M/WBE spend increased from \$221M to \$277M which represents a 25.4%

2018 Diversity Accomplishments & Performance Report By Procurement Category



Please note:

- Professional services declined due to the award of an advance traffic management system, which is specialized in nature, and represented 20% of total professional services spend.
- Goods are typically shipped directly from the manufacturer which limits subcontracting opportunities

2018 Diversity Accomplishments & Performance Report By the Numbers

\$1.0B



Total Spend

39.1% (\$414.2M)



Overall Local Spend

688



Total # of Contractors

\$227.8M



Total M/WBE Spend

54.1% (\$150.2M)



Local M/WBE Spend

271
(41 Prime totaling \$57.2M)



Total # of M/WBEs

68



Total Training Sessions

81



Total Outreach Events

336



Total One-on-One

Dallas 365

Strategic Priorities

- **Government Performance and Financial Management**

		Government Performance and Financial Management
Office of Business Diversity	Percent of dollars spent with local businesses	50%
FY17-18	Overall local spend	39.1%
	Local M/WBE spend	54.1%

A Look Ahead

- **Availability and Disparity Study**
 - Phase I (Internal) Recommendations – Summer 2019
 - Phase II (External) Begins – Summer 2019
 - Availability & Disparity Study Report Briefing – Spring 2020
 - Diversity & Inclusion Policy Recommendation – Summer 2020
- **Diversity University**
 - Mergers & Acquisitions/Joint Ventures – February/March 2019
 - Banking/Capital Access – April 2019
 - Construction Procurements – May 2019
 - Procurement Simulation – June 2019
- **Technology**
 - Electronic Inclusion and Reporting – B2GNow
 - Electronic Procurement – Bonfire

B2GNow Electronic Reporting/Compliance

Venngage | Editor x Welcome to the City of Dallas x FY 2018-19 Budget Initiatives x List of Departments x Diversity Management System x Dallas City Hall Data Trans x dallas.diversitycompliance x +

https://test.mwdbe.com/FrontPage/DiversityMain.asp?XID=5097

Apps Home - Member - CI Bookmarks Welcome to the City BID Apps QuickBooks Blackboard Learn Baldrige Framework Bookmark Manager ProjectImplicit LRU Create Infographic Other bookmarks

Test System **B2GNow** **Contract Management: Subcontractor List** [Help & Tools](#)

Main View Settings Subs Docs Change Orders & Task Orders Alerts Comments Messages Closeout

Compliance Audit List Compliance Audit Summary Compliance Audit FY Site Visits Reports

BF21523: Assessment of the Reunion Parking Center
Prime: Hultt-Zollars, Inc.
1/23/2010 - 1/23/2024

Status: Open
Current Award: \$235,000
Goal: 25.66% Total Paid: \$0
% Credit: 0.00% For Credits: \$0

[Add Subcontractor](#)

Prime Contractor

Vendor Name	Certified	Inc. in Goal	Compliance Audit	Final Pmnt	Actions
Hultt-Zollars, Inc.	No	No	Yes	No	View Edit More...

Subcontractor Award Totals

	Current Contract Goal	All Subs	Original Subs Towards Goal With Deductions	Current Subs Towards Goal With Deductions	Subs Towards Goal
Amounts	\$60,301.00	\$97,290.00	\$74,025.00	\$74,025.00	\$74,025.00
Percentages	25.660%	41.400%	31.500%	31.500%	31.500%

Subcontractors

Subcontractor Name	Certified	Original Current	Type	Inc. in Goal	Compliance Audit	Final Pmnt	Actions
Accessology Too, LLC	Yes	\$1,410 \$1,410	Sub 100%	Yes M/WBE	Yes	No	View Edit More...
Apex Cost Consultants, Inc.	Yes	\$20,680 \$20,680	Sub 100%	No M/WBE	Yes	No	View Edit More...
focusEGD, LLC	No	\$17,390 \$17,390	Sub 100%	No M/WBE	Yes	No	View Edit More...
Guidepost Solutions LLC	No	\$16,685 \$16,685	Sub	No	Yes	No	View Edit More...
JQ Infrastructure LLC	Yes	\$30,080 \$30,080	Sub 100%	Yes M/WBE	Yes	No	View Edit More...
Lerch Bates Inc.	No	\$6,380 \$6,380	Sub	No	Yes	No	View Edit More...
ORSTDIAN FIRE CONSULTING, LLC	Yes	\$4,465 \$4,465	Sub 100%	Yes M/WBE	Yes	No	View Edit More...

[Print All Sub Letters](#) [Print All Letters](#) [Message All Subs](#) [Message All](#) [Outreach All](#)

[Create Cert Tracking Log Records For All Contractors](#)

Subcontractor Addition Requests
No subcontractor additions requested by prime contractor.

Customer Support
Copyright © 2019 B2GNow. All rights reserved.

Logged on as: **Zarin Gracey**
City of Dallas

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QUESTIONS

18

2018 Diversity Accomplishments & Performance Report

Government Performance and
Financial Management
Committee Briefing

February 4, 2019



Zarin D. Gracey
Director
Office of Business Diversity

City of Dallas

Memorandum



CITY OF DALLAS

DATE February 1, 2019

Honorable Members of the Government Performance & Financial Management
Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,
TO Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Budget Accountability Report**

On February 4, 2019, the Office of Budget will brief the Government Performance & Financial Management Committee on the Budget Accountability Report (BAR) based on information through December 31, 2018. This report combines the Financial Forecast Report (FFR), Dallas 365, and Budget Initiative Tracker into a single monthly report. The report is attached for your review.

If you have any questions, please contact Jack Ireland, Director in the Office of Budget.

A handwritten signature in blue ink that reads "M. Elizabeth Reich".

M. Elizabeth Reich
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol Smith, City Auditor (Interim)
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager & Chief of Resilience
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors

Budget Accountability Report

**Government Performance &
Financial Management
Committee**

February 4, 2019

**Jack Ireland, Director
Office of Budget**



Raising the “BAR”

- Budget Accountability Report as of December 31, 2018 – reporting on first three months of FY 2018-19



Financial Forecast
Report



Dallas 365



Budget Initiative
Tracker

Financial Forecast Report

- Based on 3 months actual data and 9 months projection, revenue and expenses for all annual operating funds are forecast to end the year within 5% of budget

Operating Fund	Year-End Forecast vs. Budget	
	Revenues	Expenses
General Fund	✓	✓
Aviation	✓	✓
Convention and Event Services	✓	✓
Municipal Radio	✓	✓
Sanitation Services	✓	✓
Storm Drainage Management	✓	✓
Sustainable Development and Construction	✓	✓
Dallas Water Utilities	✓	✓
Information Technology	✓	✓
Radio Services	✓	✓
Equipment and Fleet Management	✓	✓
Express Business Center	✓	✓
9-1-1 System Operations	✓	✓
Debt Service	✓	✓

✓ YE forecast within 5% of budget

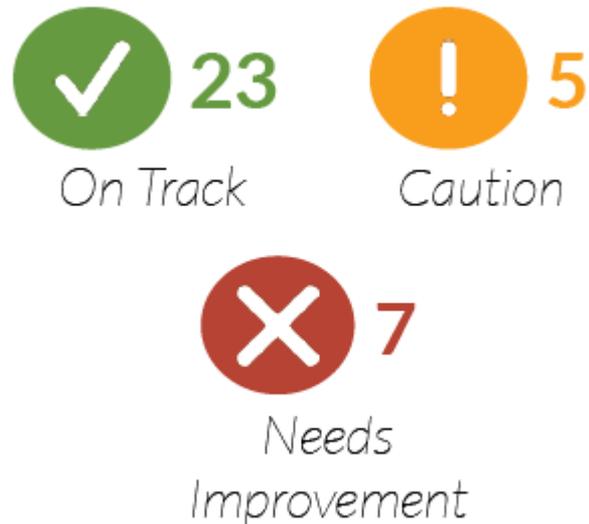
! YE forecast within 6-10% of budget

✗ YE forecast more than 10% from budget or no forecast provided



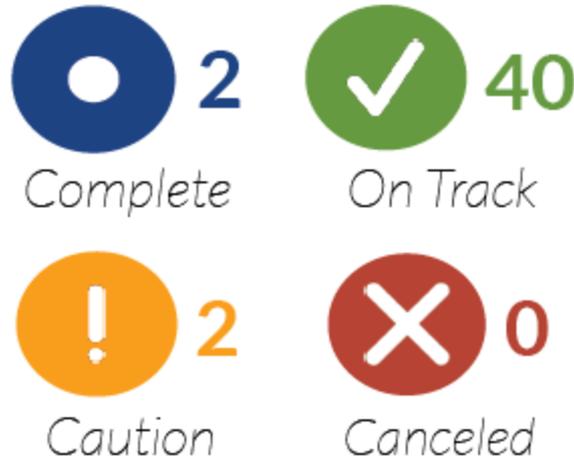
Dallas 365

- 66% of measures are currently on-track while 34% of measures are either designated as caution or needs improvement



Budget Initiative Tracker

- Nearly all budget initiatives being tracked are on-track to be completed as planned during this fiscal year



Budget Accountability Report

**Government Performance &
Financial Management
Committee**

February 4, 2019

**Jack Ireland, Director
Office of Budget**





DECEMBER 2018
**BUDGET
ACCOUNTABILITY
REPORT**

PREPARED BY THE
OFFICE OF BUDGET

1500 Marilla Street, 4FN
Dallas, TX 75201

214-670-3659
financialtransparency.dallascityhall.com

EXECUTIVE SUMMARY

Financial Forecast Report

Operating Fund	Year-End Forecast vs. Budget	
	Revenues	Expenses
General Fund	✓	✓
Aviation	✓	✓
Convention and Event Services	✓	✓
Municipal Radio	✓	✓
Sanitation Services	✓	✓
Storm Drainage Management	✓	✓
Sustainable Development and Construction	✓	✓
Dallas Water Utilities	✓	✓
Information Technology	✓	✓
Radio Services	✓	✓
Equipment and Fleet Management	✓	✓
Express Business Center	✓	✓
9-1-1 System Operations	✓	✓
Debt Service	✓	✓

✓ YE forecast within 5% of budget

! YE forecast within 6-10% of budget

✗ YE forecast more than 10% from budget or no forecast provided

Dallas 365

✓ 23

On Track

! 5

Caution

✗ 7

Needs
Improvement

Budget Initiative Tracker

○ 2

Complete

✓ 40

On Track

! 2

Caution

✗ 0

Cancelled

FINANCIAL FORECAST REPORT

The Financial Forecast Report (FFR) provides a summary of financial activity through December 31, 2018, for the General Fund and other annual operating funds of the City. The Adopted Budget reflects the budget adopted by City Council on September 18, 2018, effective October 1 through September 30. The Amended Budget column reflects City Council-approved transfers between funds and programs, approved use of contingency, and other amendments supported by revenue or fund balance.

Year-to-Date (YTD) Actual amounts represent revenue or expenses/encumbrances that have occurred through the end of the most recent accounting period. Departments provide the Year-End (YE) Forecast, which projects anticipated revenues and expenditures as of September 30, 2019. The variance is the difference between the FY 2018-19 Amended Budget and the YE Forecast. Variance notes are provided when the year-end forecast is +/- five percent of the amended budget and/or if YE expenditures are forecast to exceed the amended budget.

General Fund Overview

	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
Beginning Fund Balance	\$182,017,646	\$182,017,646		\$182,017,646	\$0
Revenues	1,365,966,274	1,366,121,406	286,748,746	1,371,750,431	5,629,025
Expenditures	1,365,966,274	1,366,121,406	281,742,718	1,364,368,441	(1,752,966)
Ending Fund Balance	\$182,017,646	\$182,017,646		\$189,399,637	\$7,381,992

Fund Balance. The summary includes fund balance with the YE revenue and expenditure forecasts. As of December 31, 2018, the YE forecast beginning fund balance represents the FY 2017-18 unaudited unassigned projected ending fund balance and does not reflect anticipated additional year-end savings. We anticipate adjustments to the FY 2018-19 amended beginning fund balance after FY 2017-18 audited statements become available in April 2019.

Revenues. Through December 31, 2018, General Fund revenues are projected to be \$5,629,000 over budget. This is primarily due to forecasted increases in Safelight fines and interest revenue based on current trends.

Expenditures. Through December 31, 2018, General Fund expenditures are projected to be below budget by \$1,753,000. At this point in the fiscal year, most departments are forecasted to be at budget. Some departments are under budget as a result of vacancies.

Amendments. The General Fund budget was amended on:

- November 14, 2018, by Council Resolution No. 18-1641 in the amount of \$155,000 for services for the District 4 runoff election.

Financial Forecast Report

GENERAL FUND REVENUE

Revenue Category ¹	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
Property Tax	\$727,886,279	\$727,886,279	\$185,450,027	\$727,886,279	\$0
Sales Tax	311,645,016	311,645,016	49,630,795	311,645,016	0
Franchise and Other	133,347,988	133,347,988	29,521,926	133,348,228	240
Charges for Service	110,146,088	110,146,088	12,237,447	111,685,565	1,539,477
Fines and Forfeitures ²	34,244,958	34,244,958	5,099,746	36,119,695	1,874,737
Operating Transfers In ³	24,823,767	24,978,899	155,132	24,916,587	(62,312)
Intergovernmental	9,563,291	9,563,291	200,673	9,423,231	(140,060)
Miscellaneous ⁴	6,320,104	6,320,104	2,318,845	7,031,316	711,212
Licenses and Permits	5,670,499	5,670,499	1,555,210	5,785,340	114,841
Interest ⁵	2,318,284	2,318,284	578,945	3,909,174	1,590,890
Total Revenue	\$1,365,966,274	\$1,366,121,406	\$286,748,746	\$1,371,750,431	\$5,629,025

VARIANCE NOTES

General Fund revenue variance notes are provided below for revenue categories with YE forecast variances of +/- five percent and revenue with an amended budget.

1 Revenue Category. Beginning with the December 2018 FFR, revenue categories have been restated to match the City's Chart of Accounts.

2 Fines and Forfeitures. Fines and Forfeitures revenues are forecast to be \$1,874,000 over budget primarily due to increased Safelight citations.

3 Operating Transfers In. The revenue budget for Operating Transfers In was amended on November 14, 2018, by Council Resolution No. 18-1641 for services related to the District 4 runoff election.

4 Miscellaneous. Miscellaneous revenues are forecast to be \$711,000 over budget, primarily due to facility rental fees.

5 Interest. Interest revenue is forecast to be \$1,591,000 over budget based on current trends.

Financial Forecast Report

GENERAL FUND EXPENDITURES

Expenditure Category	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	\$241,344,527	\$240,495,842	\$48,009,838	\$236,324,167	(\$4,171,675)
Civilian Overtime	6,660,128	6,660,128	1,986,198	7,900,602	1,240,474
Civilian Pension	35,070,258	34,947,747	6,956,286	34,328,721	(619,026)
Uniform Pay	423,709,510	423,709,510	94,594,632	423,700,883	(8,627)
Uniform Overtime	39,354,268	39,354,268	11,001,779	38,999,690	(354,578)
Uniform Pension	159,002,901	159,002,901	32,533,369	159,002,901	0
Health Benefits	68,816,185	68,816,185	13,378,730	68,816,185	0
Workers Comp	10,508,446	10,508,446	0	10,508,446	0
Other Personnel Services	12,666,100	12,644,950	2,759,484	12,880,333	235,383
Total Personnel Services ¹	997,132,323	996,139,977	211,220,315	992,461,928	(3,678,049)
Supplies ²	77,884,269	77,955,378	14,146,177	79,619,000	1,663,621
Contractual Services ³	366,535,382	367,419,869	55,500,553	367,850,086	430,217
Capital Outlay ⁴	13,617,618	13,724,618	1,561,359	13,846,813	122,195
Reimbursements ⁵	(89,203,318)	(89,118,436)	(685,685)	(89,409,386)	(290,950)
Total Expenditures	\$1,365,966,274	\$1,366,121,406	\$281,742,718	\$1,364,368,441	(\$1,752,966)

1 Personnel Services. Current year-end forecast is \$3.7 million below budget primarily due to civilian vacancy savings that fully offset the overrun in civilian overtime. Uniform overtime YE forecast assumes \$355,000 projected savings for Dallas Fire-Rescue. Uniform pension YE forecast equals budget and includes the \$156.8 million contribution required to fund the Police and Fire Pension as enacted by the Texas State Legislature through House Bill 3158 and additional funding for supplemental pension.

2 Supplies. Current YE forecast is \$1.6 million over budget primarily due to higher than budgeted Park and Recreation gas and water expenses, greater than budgeted Office of Cultural Affairs gas payments and furniture expenses, and greater usage of medical-surgical supplies by Dallas Animal Services.

3 Contractual Services. Current YE forecast is \$430,000 over budget primarily due to contract temporary help and day labor expenses by Dallas Animal Services, which are fully offset by salary savings.

4 Capital Outlay. Current YE forecast is \$122,000 over budget due to the purchase of vehicles for the Safelight group.

5 Reimbursements. General Fund reimbursements reflect contributions from various agencies, including federal and state funds, internal service fund departments, and enterprise fund departments. Current YE forecasts are \$291,000 greater than budget, primarily due to a higher-than-budgeted reimbursement to Dallas Fire-Rescue from Aviation for costs of operation of Aircraft Rescue and Fire Fighting stations at Dallas Executive Airport and Dallas Love Field.

Financial Forecast Report

GENERAL FUND EXPENDITURES

Expenditure By Department	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
Building Services	\$22,729,907	\$22,729,907	\$6,207,454	\$22,729,907	\$0
City Attorney's Office	18,348,876	18,348,876	3,589,466	18,348,876	0
City Auditor's Office	3,367,314	3,367,314	590,343	3,272,539	(94,775)
City Controller's Office	6,768,899	6,768,899	1,530,007	6,758,574	(10,325)
Independent Audit	917,892	917,892	0	917,892	0
City Manager's Office	2,787,305	2,787,305	499,012	2,766,967	(20,338)
City Secretary ¹	4,350,544	4,505,676	674,568	4,490,995	(14,681)
Civil Service	3,241,621	3,241,621	563,172	3,241,621	0
Code Compliance	31,635,395	31,635,395	6,243,136	31,635,395	0
Court Services	23,314,074	23,314,074	3,377,691	23,231,111	(82,963)
Jail Contract	8,908,016	8,908,016	1,484,669	8,908,016	0
Dallas Animal Services	14,878,667	14,878,667	3,365,509	14,818,674	(59,993)
Dallas Fire-Rescue	294,483,209	294,483,209	64,434,957	293,905,339	(577,870)
Dallas Police Department	486,752,691	486,752,691	104,195,469	486,746,750	(5,941)
Housing and Neighborhood Services	4,213,724	4,213,724	356,474	4,092,688	(121,036)
Human Resources	7,005,071	7,005,071	1,441,003	7,005,071	0
Judiciary	3,446,356	3,446,356	739,289	3,445,828	(528)
Library	34,138,717	34,138,717	6,941,505	33,921,916	(216,801)
Office of Management Services					0
311 Customer Service	4,495,891	4,495,891	1,696,929	4,469,406	(26,485)
Council Agenda Office	219,414	219,414	45,903	218,565	(849)
Office of Equity and Human Rights	998,436	998,436	101,557	998,436	0
Office of Innovation	603,668	603,668	52,452	445,268	(158,400)
Office of Strategic Partnerships	1,053,433	1,053,433	207,803	1,029,443	(23,990)
Office of Business Diversity	894,165	894,165	170,692	891,130	(3,035)
Office of Community Care	5,375,877	5,375,877	1,147,031	5,375,877	0
Office of Emergency Management	877,113	877,113	146,429	877,113	0
Office of Environmental Quality	2,734,360	2,734,360	1,224,287	2,734,360	0
Office of Homeless Solutions ²	11,546,393	11,546,393	5,866,171	11,695,100	148,707
Public Affairs and Outreach ³	2,098,745	2,098,745	285,925	2,002,518	(96,227)
Welcoming Communities	623,124	623,124	92,966	623,124	0
Mayor and City Council	4,989,530	4,989,530	936,089	4,989,530	0
Non-Departmental	92,727,295	92,727,295	3,120,313	92,724,002	(3,293)
Office of Budget	3,796,050	3,796,050	696,723	3,779,965	(16,085)
Office of Cultural Affairs	19,973,188	19,973,188	7,573,937	19,973,188	0
Office of Economic Development	4,972,909	4,972,909	856,642	4,972,909	0
Park and Recreation ⁴	98,542,371	98,542,371	24,986,692	98,589,353	46,982
Planning and Urban Design ⁵	3,171,871	3,171,871	702,999	2,913,935	(257,936)
Procurement Services ⁶	2,443,038	2,443,038	509,513	2,570,317	127,279
Public Works	75,856,653	75,856,653	16,169,857	75,572,268	(284,385)
Sustainable Development	2,194,525	2,194,525	753,163	2,194,525	0
Transportation	47,219,419	47,219,419	8,164,922	47,219,419	0
Total Departments	\$1,358,695,746	\$1,358,850,878	\$281,742,718	\$1,357,097,913	(\$1,752,966)
Liability/Claim Fund Transfer	2,751,145	2,751,145	0	2,751,145	0
Contingency Reserve	2,319,383	2,319,383	0	2,319,383	0
Salary and Benefit Reserve	2,200,000	2,200,000	0	2,200,000	0
Total Expenditures	\$1,365,966,274	\$1,366,121,406	\$281,742,718	\$1,364,368,441	(\$1,752,966)

VARIANCE NOTES

General Fund variance notes are provided below for departments with YE forecast variances of +/- five percent, departments with an amended budget, and for departments with YE forecasts projected to exceed budget.

1 City Secretary. City Secretary Office's budget was increased by \$155,000 on November 14, 2018, by Council Resolution No. 18-1641 for services related to the District 4 runoff election.

2 Office of Homeless Solutions. Office of Homeless Solutions expenditures are forecast to be \$149,000 over budget due to a \$230,000 increase in The Bridge management services contract.

3 Public Affairs and Outreach. Public Affairs and Outreach expenditures are forecast to be \$96,000 under budget due to salary savings from nine vacant positions.

4 Park and Recreation. Park and Recreation expenditures are forecast to be \$47,000 over budget due to the September 21, 2018, rain event that flooded the Fair Oaks Tennis Center, causing approximately \$177,000 in damages and the tennis center's closure. The Fair Oaks Tennis Center is expected to reopen in May 2019.

5 Planning and Urban Design. Planning and Urban Design expenditures are forecast to be \$257,000 under budget due to salary savings from six vacant positions.

6 Procurement Services. Procurement Services expenditures are forecast to be \$127,000 over budget due to unbudgeted vacation/sick termination payouts for three long-time employees retiring in the spring.

Financial Forecast Report

ENTERPRISE FUNDS

Department	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
AVIATION					
Beginning Fund Balance	\$14,216,560	\$14,216,560		\$14,216,560	\$0
Total Revenues	144,132,819	144,132,819	31,091,236	144,132,819	0
Total Expenditures	144,132,819	144,132,819	25,528,388	144,132,819	0
Ending Fund Balance	\$14,216,560	\$14,216,560		\$14,216,560	\$0

CONVENTION AND EVENT SERVICES

Beginning Fund Balance	\$33,234,399	\$33,234,399		\$33,234,399	\$0
Total Revenues	108,647,915	108,647,915	17,013,405	108,647,915	0
Total Expenditures	108,647,915	108,647,915	10,452,888	108,647,915	0
Ending Fund Balance	\$33,234,399	\$33,234,399		\$33,234,399	\$0

MUNICIPAL RADIO

Beginning Fund Balance	\$1,205,492	\$1,205,492		\$1,205,492	\$0
Total Revenues	2,178,813	2,178,813	533,115	2,178,813	0
Total Expenditures	2,076,728	2,076,728	688,030	2,076,728	0
Ending Fund Balance	\$1,307,577	\$1,307,577		\$1,307,577	\$0

Note: FY 2018-19 budget reflects revenue in excess of expenses.

SANITATION SERVICES

Beginning Fund Balance	\$29,641,449	\$29,641,449		\$29,641,449	\$0
Total Revenues	112,653,465	112,653,465	29,138,819	112,653,465	0
Total Expenditures	112,653,465	112,653,465	13,016,728	112,653,465	0
Ending Fund Balance	\$29,641,449	\$29,641,449		\$29,641,449	\$0

STORM DRAINAGE MANAGEMENT- DALLAS WATER UTILITIES

Beginning Fund Balance	\$7,928,950	\$7,928,950		\$7,928,950	\$0
Total Revenues	58,436,837	58,436,837	15,038,510	58,436,837	0
Total Expenditures	58,436,837	58,436,837	6,951,504	58,436,837	0
Ending Fund Balance	\$7,928,950	\$7,928,950		\$7,928,950	\$0

SUSTAINABLE DEVELOPMENT AND CONSTRUCTION

Beginning Fund Balance	\$43,833,830	\$43,833,830		\$43,833,830	\$0
Total Revenues	33,143,848	33,143,848	9,755,502	33,160,271	16,423
Total Expenditures	34,571,119	34,571,119	6,849,495	34,571,119	0
Ending Fund Balance	\$42,406,559	\$42,406,559		\$42,422,982	\$16,423

Note: FY 2018-19 budget reflects planned use of fund balance.

WATER UTILITIES¹

Beginning Fund Balance	\$118,325,578	\$118,325,578		\$118,325,578	\$0
Total Revenues	665,005,577	665,005,577	146,104,374	649,113,571	(15,892,006)
Total Expenditures	665,491,395	665,491,394	127,787,676	661,879,728	(3,611,666)
Ending Fund Balance	\$117,839,760	\$117,839,761		\$105,559,421	(\$12,280,340)

Note: FY 2018-19 budget reflects planned use of fund balance.

Financial Forecast Report

INTERNAL SERVICE FUNDS

Department	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
INFORMATION TECHNOLOGY					
Beginning Fund Balance	\$10,887,991	\$10,887,991		\$10,887,991	\$0
Total Revenues	69,434,657	69,434,657	8,973,158	69,434,657	0
Total Expenditures	77,011,403	77,011,403	15,000,574	76,650,286	(361,117)
Ending Fund Balance	\$3,311,245	\$3,311,245		\$3,672,362	\$361,117
Note: FY 2018-19 budget reflects planned use of fund balance.					
RADIO SERVICES					
Beginning Fund Balance	\$2,800,576	\$2,800,576		\$2,800,576	\$0
Total Revenues	5,917,772	5,917,772	39,764	5,923,112	5,340
Total Expenditures	8,651,413	8,651,413	2,789,008	8,633,055	(18,358)
Ending Fund Balance	\$66,935	\$66,935		\$90,633	\$23,698
Note: FY 2018-19 budget reflects planned use of fund balance.					
EQUIPMENT AND FLEET MANAGEMENT					
Beginning Fund Balance	\$7,254,000	\$7,254,000		\$7,254,000	\$0
Total Revenues	54,412,850	54,412,850	145,973	54,412,850	0
Total Expenditures	54,912,850	54,912,850	5,366,287	54,912,850	0
Ending Fund Balance	\$6,754,000	\$6,754,000		\$6,754,000	\$0
Note: FY 2018-19 budget reflects planned use of fund balance.					
EXPRESS BUSINESS CENTER					
Beginning Fund Balance	\$2,682,143	\$2,682,143		\$2,682,143	\$0
Total Revenues	2,593,790	2,593,790	475,347	2,603,146	9,356
Total Expenditures	2,137,496	2,137,496	414,188	2,136,057	(1,439)
Ending Fund Balance	\$3,138,437	\$3,138,437		\$3,149,233	\$10,796
Note: FY 2018-19 budget reflects revenue in excess of expenses.					

Financial Forecast Report

OTHER FUNDS

Department	FY 2018-19 Adopted Budget	FY 2018-19 Amended Budget	YTD Actual	YE Forecast	Variance
9-1-1 SYSTEM OPERATIONS					
Beginning Fund Balance	\$7,852,062	\$7,852,062		\$7,852,062	\$0
Total Revenues	12,018,812	12,018,812	2,790,889	12,018,812	0
Total Expenditures	15,176,553	15,176,553	2,431,344	15,149,055	(27,498)
Ending Fund Balance	\$4,694,321	\$4,694,321		\$4,721,819	\$27,498

Note: FY 2018-19 budget reflects planned use of fund balance.

DEBT SERVICE

Beginning Fund Balance	\$32,549,163	\$32,549,163		\$32,549,163	\$0
Total Revenues	289,189,656	289,189,656	68,995,057	289,189,656	0
Total Expenditures	296,200,044	296,200,044	0	296,200,044	0
Ending Fund Balance	\$25,538,775	\$25,538,775		\$25,538,775	\$0

Note: FY 2018-19 budget reflects planned use of fund balance.

EMPLOYEE BENEFITS

City Contributions	\$94,862,835	\$94,862,835	20,610,314	\$94,862,835	\$0
Employee Contributions	36,126,244	36,126,244	11,411,676	36,126,244	0
Retiree	31,963,243	31,963,243	5,274,343	31,963,243	0
Other	0	0	90,922	90,922	90,922
Total Revenues	162,952,322	162,952,322	37,387,255	163,043,244	90,922
Total Expenditures	\$160,083,133	\$160,083,133	\$19,205,329	\$160,083,133	\$0

Note: FY 2018-19 budget reflects revenue in excess of expenses. The FY 2018-19 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects incurred but not reported claims (IBNR).

RISK MANAGEMENT

Worker's Compensation	\$13,701,708	\$13,701,708	\$923,239	\$13,701,708	\$0
Third Party Liability	10,227,315	10,227,315	80,815	10,227,315	0
Purchased Insurance	3,029,284	3,029,284	(550)	3,029,284	0
Interest and Other	749,900	749,900		749,900	0
Total Revenues	27,708,207	27,708,207	1,003,504	27,708,207	0
Total Expenditures	\$34,166,607	\$34,166,607	\$3,164,435	\$34,166,607	\$0

Note: FY 2018-19 budget reflects planned use of fund balance. The FY 2018-19 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects the total current liability for Risk Management (Worker's Compensation/Liability/Property Insurance).

VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summaries include the beginning fund balance with the YE revenue and expenditure forecasts. As of December 31, 2018, YE forecast beginning fund balance represents the FY 2017-18 unaudited projected ending fund balance and does not reflect additional year-end savings. We anticipate adjustments to the FY 2018-19 amended beginning fund balance after FY 2017-18 audited statements become available in April 2019. Variance notes are provided below for funds with a YE forecast variance of +/- five percent, funds with YE forecast projected to exceed budget, and funds with projected use of fund balance.

1 Water Utilities. Water Utilities' (DWU) revenues are projected to be \$15,892,000 lower than budget due to (1) wholesale customers receiving a credit to revenues as a result of the Sabine River Authority (SRA) settlement, which will be offset by use of fund balance, and (2) decreased consumption resulting from wetter than normal fall weather. Expenditures are projected to be \$3,611,000 lower than budget primarily due to a decreased capital construction transfer to offset the weather-related revenue reduction.

DALLAS 365

The Dallas 365 initiative aligns 35 key performance measures to our six strategic priorities. The department responsible for each measure is noted at the end of the measure's description, and last year's performance is included, if available. Several measures are new for FY 2018-19, so actual performance data is not available (N/A) for last year.

An annual target has been established for each measure. The annual target is then broken down into a year-to-date (YTD) target, which represents October 1 through the current reporting period. Each month, we will compare the YTD target with the YTD actual performance reported by the responsible department and assign a YTD status based on how well actual performance compares to the target.

Measures are designated "on target" (green) if actual YTD performance is within 5 percent of the YTD target. Measures with actual YTD performance within 6 to 20 percent of the YTD target are designated in "caution" (yellow) status. If actual YTD performance is more than 20 percent from the YTD target, the measure is designated as "needs improvement" (red). For most measures, high values indicate positive performance, but for a few measures, the reverse is true. These measures are noted with an asterisk and include measures numbered 6, 8, 13 and 22. Variance notes are provided for each measure that is not On Track.



On Track



Caution



Needs Improvement

#	Measure	FY 2017-18 Actual	FY 2018-19 Target	YTD Target	YTD Actual	YTD Status
Public Safety						
1	Percentage of responses to structure fires within 5 minutes and 20 seconds of dispatch (Fire-Rescue)	86.11%	90.00%	90.00%	87.34%	✓
2	Percentage of EMS responses within five minutes (Fire-Rescue)	N/A	90.00%	90.00%	51.78%	✗
3	Percentage of responses to Priority 1 calls within eight minutes (Police)	N/A	60.00%	60.00%	49.63%	!
4	Percentage of 911 calls answered within 10 seconds (Police)	94.21%	91.00%	91.00%	94.92%	✓
5	Homicide clearance rate (Police)	78.35%	60.00%	60.00%	107.70%	✓
6	Violent crime rate (per 100,000 residents) (Police)*	N/A	767	191.75	173.66	✓
Mobility Solutions, Infrastructure & Sustainability						
7	Percentage of annual bond appropriation awarded (Bond Program)	N/A	90.00%	22.50%	28.22%	✓
8	Average response time to emergency sewer calls (in minutes) (Dallas Water Utilities)*	58.68	60	60	59.13	✓
9	Percentage compliance with state and federal standards and regulations for drinking water (Dallas Water Utilities)	100.00%	100.00%	100.00%	100.00%	✓
10	Number of street lane miles resurfaced (Public Works)	208.34	197	49.25	11.32	✗
11	Percentage of potholes repaired within five days (Public Works)	N/A	98.00%	98.00%	100.00%	✓
12	Percentage of streets with a Pavement Condition Index rating of C or better (Public Works)	N/A	77.40%	77.40%	77.40%	✓

DALLAS 365

#	Measure	FY 2017-18 Actual	FY 2018-19 Target	YTD Target	YTD Actual	YTD Status
Mobility Solutions (cont.)						
13	Missed refuse and recycling collections per 10,000 collection points/service opportunities (Sanitation)*	12.83	11	11	12.99	⚠
14	Residential recycling diversion rate (Sanitation)	19.29%	19.00%	19.00%	17.93%	⚠
15	Percentage of surveyed street lights on major streets that are working (Transportation)	94.58%	96.00%	96.00%	94.57%	✅
Economic & Neighborhood Vitality						
16	Number of jobs created or retained through written commitment (Economic Development)	N/A	5,000	1,250	1,850	✅
17	Number of Dallas Homebuyer Assistance Program (DHAP) loans provided (Housing)	N/A	81	14	9	❌
18	Total number of new housing units produced (sale and rental combined) (Housing)	595	1,500	375	12	❌
19	Percentage of single-family permits reviewed in three days (Sustainable Development)	80.00%	85.00%	85.00%	83.33%	✅
20	Percentage of inspections performed same day as requested (Sustainable Development)	97.49%	98.00%	98.00%	96.75%	✅
Human & Social Needs						
21	Number of seniors served (Community Care)	1,833	4,500	1,125	2,624	✅
22	Number of days to resolve a homeless encampment site from date of service request to resolution (Homeless Solutions)*	16.31	21	21	18.90	✅
23	Percentage of unduplicated persons placed in permanent housing who remain housed after six months (Homeless Solutions)	N/A	85.00%	85.00%	87.05%	✅
Quality of Life						
24	Number of single-family rental properties inspected (initial inspections and reinspections) (Code Compliance)	12,099	10,000	2,500	698	❌
25	Percentage of 311 Code service requests responded to within estimated response time (Code Compliance)	94.58%	96.00%	96.00%	91.00%	⚠
26	Percentage of food establishments inspected on schedule (Code Compliance)	N/A	95.00%	95.00%	95.00%	✅
27	Live release rate (Animal Services)	80.30%	81.00%	81.00%	83.40%	✅
28	Percentage increase in field impoundments over prior fiscal year (Animal Services)	17.32%	18.00%	18.00%	9.77%	❌
29	Number of library visits in person, online, and for programs (Library)	9,352,274	7,420,000	1,855,000	2,478,285	✅
30	Number of participants in adult education courses (ELL, GED, basic education, and citizenship) (Library)	N/A	25,000	6,250	6,675	✅
31	Percentage of cultural services contracts awarded to artists or small arts organizations (budgets less than \$100,000) (Cultural Affairs)	N/A	50.00%	50.00%	54.50%	✅
32	Percentage of residents within ½ mile of a park (Park and Recreation)	60.00%	63.00%	63.00%	61.00%	✅

DALLAS 365

#	Measure	FY 2017-18 Actual	FY 2018-19 Target	YTD Target	YTD Actual	YTD Status
Government Performance and Financial Management						
33	Percentage of 311 calls answered within 90 seconds (311)	56.46%	70.00%	70.00%	40.13%	✘
34	Percentage of invoices paid within 30 days (City Controller)	95.51%	94.00%	94.00%	98.07%	✔
35	Percentage of dollars spent with local businesses (Business Diversity)	45.41%	50.00%	50.00%	45.70%	!

VARIANCE NOTES

#2. Due to high EMS service demand/call volume and finite emergency resources. Units are often deployed from more distant fire stations to serve areas experiencing simultaneous 911 calls for EMS service.

#3. Due to lack of staff, although times have improved (measure moved from red to yellow in December). An emphasis on recruiting, changes to Civil Service rules, and increased starting pay should lead to increased staffing.

#10. Due to seasonality of resurfacing efforts. Work ramps up in February and peaks from April to August.

#13. Due to holidays. When City offices are closed, collection days shift, and Sanitation receives more calls from residents. Collection should return to normal in January.

#14. Due to holidays. Garbage tonnage increased and recycling decreased in November and December. Collection should return to normal in January.

#17. FY 2017-18 program changes and updated homebuyer qualification guidelines will result in larger loans, but the process will be more time-consuming. To date, two homeowners were unable to re-qualify under the updated guidelines, an additional applicant was denied, and two others withdrew due to longer processing times.

#18. The target for this measure was adjusted to 1,500 in consultation with Housing and Neighborhood Revitalization. The 2018 Notice of Funds Available (NOFA) is expected to produce 800 units, and the single-family NOFA to be issued in 2019 is expected to produce an additional 200. Other units may be added through the Home Repair program, the incentive zoning ordinance (if approved), and/or tax credit projects that do not require City funding.

#24/25. Due to conversion from CSR system to the new Code Case Management System, which interrupted service request data retrieval. CIS is aware of the issue and anticipates resolution by the end of March 2019.

#28. Due to issues with Salesforce at beginning of the fiscal year. DAS made up lost ground in December (+52.15% over December 2017), and subsequent reports should continue to improve.

#33. Due to increased attrition/reduction in agents trained to process calls. 311 has offered training continuously since October, and Civil Service is revising testing requirements to hire additional agents. Cornerstone temporary staffing is being used to supplement in the interim.

#35. Due to two water/wastewater projects awarded to Southland Contracting (\$22.44 million) and Oscar Renda Contracting (\$15.81 million). At \$38.25 million, these awards to non-local vendors represent more than 15% of total business spend for this period.

BUDGET INITIATIVE TRACKER

The Budget Initiative Tracker reports on 44 activities included in the FY 2018-19 and FY 2019-20 biennial budget. For each initiative included in this report, you will find the initiative number, title, description and status. At the end of each description, the responsible department is listed. Each month, the responsible department provides a current status for the initiative and indicates whether the initiative is “complete” (blue circle), “on track” (green check mark), “caution” (yellow exclamation mark), or “canceled” (red x).

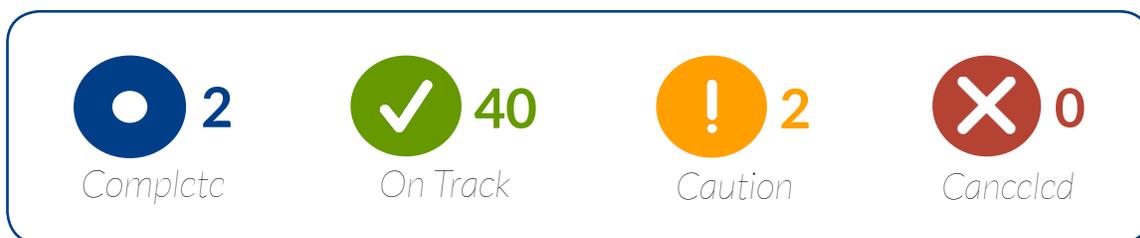


Photo credit: Office of Cultural Affairs

In the Spotlight

On November 28, 2018, The Dallas City Council voted unanimously to adopt the **Dallas Cultural Plan**, an updated Cultural Policy, and an enabling ordinance. With this new plan and its supporting policies, the City of Dallas through its Office of Cultural Affairs will work with partners to harness its arts and cultural strengths to address the city’s challenges. The Dallas Cultural Plan affirms the City’s commitment to supporting a vibrant arts and cultural ecosystem in collaboration with its artists, cultural organization, funders, and other partners.

Budget Initiative Tracker

PUBLIC SAFETY**1 Police & Fire Uniform Pay** 

INITIATIVE Increasing pay for police officers and firefighters (1) effective in October 2018 in accordance with the three-year Meet and Confer agreement, which calls for double-step pay increases of approximately 10 percent, adding a 2 percent top step, and increasing starting pay to \$51,688, and (2) effective in January 2019 in accordance with the City Council budget amendment to increase pay by three percent across the board, to a minimum of \$60,000. (Police and Fire-Rescue)

STATUS Uniform pay increases based on the current Meet and Confer agreement went into effect October 2018. On December 23, 2018, City Council authorized the City Manager to enter an Amended Meet and Confer agreement so additional uniform pay increases can go into effect January 2019.

2 Number of Police Officers 

INITIATIVE Recruiting new police officers to bring the number of sworn employees at the end of FY 2018-19 to 3,050. (Police)

STATUS DPD forecasts to end FY 2018-19 with a sworn strength of 3,033, which is 17 officers less than the goal of 3,050 for the fiscal year.

3 Number of Firefighters 

INITIATIVE Recruiting new firefighters to bring the number of sworn employees at the end of FY 2018-19 to 1,942. (Fire-Rescue)

STATUS Dallas Fire-Rescue anticipates 65 recruits will enter the field in June 2019. DFR plans to hire an additional 65 recruits in June 2019, for a grand total of 130 planned new hires for FY 2018-19. The summer hiring class size is contingent upon realized attrition through the year.

4 Police and Fire Uniform Pension 

INITIATIVE Contributing \$156.8 million, up \$6.1 million from the current year, to the Dallas Police and Fire Pension System to ensure a secure retirement for our first responders. (Police and Fire-Rescue)

STATUS The City pension contributions are being made in compliance with HB 3158 approved by the state legislature in 2017.

5 Security of City Facilities 

INITIATIVE Consolidating security for City facilities into Court and Detention Services and conducting a comprehensive risk assessment to identify future security needs for City facilities and programs. (Court and Detention Services)

STATUS An RFCSP for a consultant to develop a Citywide security standard and evaluate security services and plans was advertised on January 17, 2019. A second advertisement will occur January 24, 2019. A pre-solicitation conference is scheduled for January 28, 2019. The contract is tentatively scheduled for City Council consideration on May 8, 2019.

6 School Crossing Guards 

INITIATIVE Investing more than \$5 million in a school crossing guard program to protect Dallas students. (Court and Detention Services)

STATUS All City Management Services, Inc. (ACMS) is currently providing crossing guard services to about 150 elementary schools within Dallas city limits. ACMS began working on a new Volunteer School Crossing Guard Program in November 2018, which will allow volunteers to supplement staff in case of shortfalls. The Release of Liability Form was finalized in early January 2019, and program implementation is tentatively scheduled for March 2019.

7 P-25 Radio System 

INITIATIVE Expanding radio coverage area, improving system reliability, lowering operating costs, and improving interoperability across City departments and with other public safety agencies through implementation of the new P-25 radio system. (Communication and Information Services)

STATUS Radio system equipment is being installed at radio communication sites. Radio sites outside the city are being negotiated with neighboring jurisdictions. New shelters are being constructed at the factory.

8 Firefighter Safety 

INITIATIVE Protecting the safety of DFR officers by replacing all self-contained breathing apparatus (SCBA) in phases and providing a second set of personal protective equipment (PPE) to allow for cleaning equipment between fires. (Fire-Rescue)

STATUS Dallas Fire-Rescue is meeting with the Office of Procurement Services to determine the specifications for purchasing the second set of PPEs and replacing all SCBAs.

9 911 Operations Center 

INITIATIVE Furthering the City's investment in the 911 emergency system with additional technology and expanded backup capacity. (Communication and Information Services)

STATUS Communication and Information Services has installed Text-to-911 and is scheduling the go-live date in consultation with DPD. CIS has also ordered equipment for the backup CAD system, and the vendor is finalizing the quote for the Dual Production Public Safety Answering Point (PSAP) solution for the backup site.

Budget Initiative Tracker

MOBILITY SOLUTIONS, INFRASTRUCTURE & SUSTAINABILITY

10 Street Conditions

INITIATIVE Investing more than \$125 million of bonds and cash to improve the driving condition of city streets. (Public Works)

STATUS Work orders were issued in December 2018 for the General Fund work plan maintenance. The preservation contract was advertised in January 2019, and bids are scheduled to be opened on February 1, 2019. Staff anticipates submitting for City Council consideration in April or May 2019.

11 Intersection Safety

INITIATIVE Leveraging \$10 million of federal Highway Safety Improvement Program (HSIP) funds with approximately \$2 million in City funds to improve safety at high-crash locations. (Transportation)

STATUS Dallas was awarded more than anticipated -- \$11.3 million in federal HSIP funds. The City still plans to invest \$2 million of City funds. Staff is currently working on scheduling design and with TxDOT to complete the Local Project Advanced Funding Agreements wherein the City's 10% match is paid.

12 Alley Access

INITIATIVE Creating a \$1.8 million cross-departmental pilot program to improve alley access for residents and utilities. (Sanitation, Water Utilities, and Public Works)

STATUS The specifications for the program have been advertised. Bids are scheduled to be opened on February 1, 2019. Staff anticipates submitting for City Council consideration in May or June 2019.

13 Bike Lanes

INITIATIVE Expanding bike lanes and improving mobility by increasing the current \$500,000 budget by \$500,000 per year for each of the next three years to achieve a \$2 million per year investment starting in FY 2020-21. (Transportation)

STATUS Transportation is working on projects in the Central Business District, including Akard, Cadiz, and Canton streets, as well as on Zang Blvd. and Union Trail. An upcoming project at Monroe Dr. and Merrell Rd. will connect a Dallas County trail project near the Walnut Hill/Denton DART station.

14 OneWater Consolidation

INITIATIVE Combining water, wastewater, and stormwater into one utility to provide comprehensive management of Dallas' valuable water resources. (Water Utilities)

STATUS DWU's organizational chart has been revised to include the stormwater utility, and staff is being realigned with new functional needs. A scope is being developed to assess current stormwater and flood control functions and provide a path to more sustainable operations and procedures.

15 Environmental Plan

INITIATIVE Completing an environmental plan that includes solutions to address climate change by using \$500,000 available revenue received from the previous plastic bag ordinance and fee. (Office of Environmental Quality)

STATUS On January 23, 2019, City Council authorized a contract with AECOM Technical Services, Inc. to develop a Comprehensive Environmental and Climate Action Plan. A project kickoff meeting is scheduled with the vendor on February 5, 2019. Staff are developing internal and external task forces to guide plan development and outreach.

16 Traffic Signals

INITIATIVE Repairing traffic signals by 1) responding to traffic signal knockdowns and underground cable repairs and 2) replacing broken vehicle detectors at 40 traffic signals across the city. (Transportation)

STATUS This initiative is funded in FY 2019-20, the second year of the biennial.

17 City Facility Major Maintenance

INITIATIVE Repairing City-owned facilities through a \$7 million deferred maintenance program. (Building Services)

STATUS Of the \$7 million allocated for deferred maintenance, \$6 million is for general City facilities. Projects estimated at \$2.9 million are in progress, including City Hall parking garage repairs, replacement of the HVAC system at Fire Station #34, roof replacement at the DFR Complex Maintenance Building C, glass replacement at City Hall, Lancaster-Kiest Branch Library roof and window repairs, Hensley Field Operations fire alarm system replacement, and repairs/renovations at the Forest Green Branch Library.

The remaining \$1 million allocated for deferred maintenance is for cultural facilities: \$0.8 million at City-owned facilities and \$0.2 million for other cultural facilities. Projects estimated at \$0.4 million are in progress, including exterior painting at the Latino Cultural Center, lighting at the South Dallas Cultural Center, and interior repairs and flooring at the Oak Cliff Cultural Center.

18 Neighborhood Drainage

INITIATIVE Implementing a new stormwater program dedicated to neighborhood drainage, which will focus efforts on neighborhood outreach and preventing flooding in local streets. (Water Utilities)

STATUS The FY 2019-20 budget includes funding for personnel, equipment, and contracts for increased neighborhood drainage maintenance. In preparation, the former Trinity Watershed Management work groups are being reorganized into two Stormwater Operations divisions: Dallas Floodway and Neighborhood Drainage. The Sr. Program Manager position for Neighborhood Drainage is being reclassified and will be advertised and filled in the next few months.

Budget Initiative Tracker

ECONOMIC & NEIGHBORHOOD VITALITY**19 Property Tax Rate** 

INITIATIVE Reducing the property tax rate by 0.37¢, making FY 2018-19 the third consecutive year with a tax rate reduction. (Office of Budget)

STATUS City Council approved a 0.37¢ property tax reduction on September 18, 2018. Dallas County Tax Office distributed property tax bills and will collect revenue on behalf of the City.

20 Housing Policy 

INITIATIVE Implementing the Comprehensive Housing Policy approved by City Council in May 2018 to create and preserve housing throughout the city. (Housing and Neighborhood Revitalization)

STATUS Staff is operating the Housing Improvement and Preservation Program (HIPP), Dallas Homebuyer Assistance Program (DHAP), and development programs authorized by City Council as part of the Comprehensive Housing Policy. City Council approved the transfer of \$7 million in unencumbered Tax Increment Financing (TIF) funds to the Housing Trust Fund on December 12, 2018, and referred incentive zoning back to the Economic Development and Housing Committee. All Housing Task Force subcommittees are meeting regularly; in early 2019, the Task Force will consider neighborhood empowerment zones, low-income housing tax credits (LIHTC), and Housing Trust Fund strategies.

21 Stabilization and Emerging Market Areas 

INITIATIVE Targeting \$1 million to historically underserved areas at risk of displacement because of changing market conditions, as well as areas in need of intensive environmental enhancements, master planning, and formalized neighborhood organizations. (Housing and Neighborhood Revitalization)

STATUS Staff plans to brief the Economic Development and Housing Committee on April 15, 2019, on a proposed neighborhood revitalization/redevelopment strategy that includes the \$1 million in funds.

22 One-Stop Permitting 

INITIATIVE Offering an online one-stop shop for residents and businesses to submit construction plans to the City. (Sustainable Development and Construction)

STATUS Phase 1 of the software was implemented October 1, 2018, and is functioning for our customers. Phase 2 will be implemented in FY 2018-19 with enhanced features to improve efficiency.

23 Historic Resource Survey 

INITIATIVE Devoting \$100,000 to conduct a historic resource survey with private partners. (Sustainable Development and Construction)

STATUS Staff submitted a request for \$50,000 to the Texas Historical Commission (THC) in November 2018, with an expected award date in January 2019. Preservation Dallas and members of the former Preservation Solutions Committee have committed to identifying and raising matching funds by April 2019, although no money has been committed to date. Staff will determine the project scope based on funds awarded by THC and raised by these outside entities and release an RFCSP to conduct the survey by March. Staff anticipates the bid will be submitted for City Council consideration in June, with work beginning in July.

Budget Initiative Tracker

HUMAN & SOCIAL NEEDS**24 Homelessness Programs** 

INITIATIVE Addressing homelessness holistically, including \$2.3 million for strengthening the homeless response system, providing improved supportive housing for chronically homeless seniors, leveraging innovative and collaborative “shovel-ready” projects for affordable housing units, funding a master lease program, and developing a landlord incentive program. (Office of Homeless Solutions)

STATUS OHS is working with the Office of Procurement Services to release several RFCSPs for projects in January, including strengthening the homeless response system, workforce sustainability, supportive housing for seniors, and the landlord subsidized leasing program with the goal of implementing in early spring. OHS has also streamlined its processes to support efficient implementation and accurate performance monitoring.

25 End Panhandling Now 

INITIATIVE Increasing funding for the End Panhandling Now initiative to \$415,000 and continuing public education on ways to effectively assist those in need. (Office of Community Care)

STATUS The City has four full-time resources dedicated to anti-panhandling initiatives. Since October 1, staff has completed more than 55 client engagements. Major themes from these engagements have been a desire for quick money, unwillingness to go to a shelter (in some cases because couples cannot go together), and the belief they are not eligible for services due to criminal background. Additionally, a social media campaign targeting potential contributors was launched in September with more than 3.2 million impressions through November 30. Staff is now working to procure a firm to implement an additional educational campaign in Spring 2019.

26 Citizenship Programs 

INITIATIVE Committing \$175,000 to partner with nonprofit organizations to offer civil legal services and promote citizenship to immigrants. (Office of Welcoming Communities and Immigrant Affairs)

STATUS Specifications for civil legal services and citizenship procurement of services have been drafted, and the City Attorney’s Office will review in January 2019.

27 Equity 

INITIATIVE Creating an Office of Equity and Human Rights (OEHR) to promote equity as one of the City’s core values and focus on fair housing. (Office of Equity and Human Rights)

STATUS OEHR is partnering with the Government Alliance on Race and Equity (GARE) to provide the first round of equity training to staff in February. OEHR is also preparing an equity survey of City employees as a baseline assessment of staff knowledge, skills, and experiences related to race and equity.

28 Fresh Start Re-Entry Program 

INITIATIVE Increasing funding by \$235,000 for the “Fresh Start” re-entry program to support the transition of formerly incarcerated individuals into the community. (Office of Community Care)

STATUS The Office of Community Care has scheduled interviews for a new Program Manager. Staff has also met with leaders from multiple departments to determine internal hiring opportunities for clients and is working to develop a catalog of opportunities at the City.

Budget Initiative Tracker

QUALITY OF LIFE

29 Fair Park 

INITIATIVE Transitioning Fair Park's daily operation from City management to Fair Park First, a nonprofit subcontracting with a private management company to expand fundraising opportunities, improve operations, and make capital improvements. (Park and Recreation)

STATUS City Council approved the contract with Fair Park First on October 24, 2018, with the management transition effective January 1, 2019. Fair Park First will provide quarterly updates to the Park Board (first update is scheduled for April 2019).

30 Dangerous Animals 

INITIATIVE Allocating \$410,000 to mobilize a team in Dallas Animal Services dedicated to dealing with aggressive and dangerous animals and preemptively reducing bites. (Dallas Animal Services)

STATUS Dallas Animal Services has deployed a team of four officers and a supervisor specifically focused on impounding aggressive and dangerous loose dogs in high-risk areas, with the intention of reducing potential bites. These areas are patrolled using the bite map compiled from previously recorded bites in the area.

31 Neighborhood Code Representatives 

INITIATIVE Adding \$650,000 for seven Neighborhood Code Representatives (NCR), further improving outreach efforts and providing more liaisons to address community issues. (Code Compliance)

STATUS The application for the NCR positions has been closed in NEOGOV. Interviews will begin in February, pending Civil Service results, with start dates in late February.

32 Library RFID 

INITIATIVE Implementing a \$2 million Radio Frequency Identification (RFID) system throughout our library system to improve security and better manage our materials and assets. (Library)

STATUS Communication and Information Services has approved project specifications drafted by the Library department. Procurement Services and Risk Management are currently reviewing and establishing insurance requirements. Staff now anticipate advertisement for bid to occur in February.

33 Aquatic Spraygrounds 

INITIATIVE Expediting the opening of six spraygrounds for summer 2019. (Park & Recreation)

STATUS Three spraygrounds (Crawford, Fretz, and Samuell Grand) opened in August 2018. An additional three spraygrounds are on schedule to open for the 2019 summer season, for a total of six centers. The three expedited facilities for 2019 are Lake Highlands North, Kidd Springs, and Tietze.

34 Park and ISD Partnerships 

INITIATIVE Partnering with school districts to offer more green spaces and parks. (Park and Recreation)

STATUS Currently, 25 DISD and 7 RISD schools are open to the public after hours and on weekends, increasing the percentage of residents within half a mile of a park by 2% (to 60% from 58%). For FY 2018-19, Park and Recreation is looking at additional opportunities and partnerships to increase this to 63% (3% increase from last fiscal year). Five of 32 playgrounds are undergoing construction/improvements with anticipated completion in March 2019.

35 WellMed Senior Programs 

INITIATIVE Investing in programs for all ages by partnering with the nonprofit WellMed Charitable Foundation to open a new health and wellness center for residents age 60 and older. (Park and Recreation)

STATUS The WellMed Charitable Foundation Senior Activity Center at Redbird Square opened December 6, 2018. The center is designed to keep adults age 60 or older healthy and active at no cost to participants.

36 Cultural Plan 

INITIATIVE Adopting the Dallas Cultural Plan 2018. (Office of Cultural Affairs)

STATUS City Council unanimously adopted the Dallas Cultural Plan 2018 and an updated Cultural Policy on November 28, 2018. Implementation of key initiatives began immediately after adoption.

Budget Initiative Tracker

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

37 Off-Site City Council Meetings

INITIATIVE Expanding opportunities for residents and Council to engage by hosting mobile City Council meetings. (Mayor and City Council)

STATUS The Mayor and City Council will host three off-site agenda meetings during FY 2018-19:

- February 13 at Park in the Woods Recreation Center
- May 8 at Kleberg-Rylie Recreation Center
- August 14 at Bachman Lake Branch Library

38 Council District Offices

INITIATIVE Expanding opportunities for residents and Council to engage by expanding the district office program with the addition of a new office in District 5. (Mayor and City Council)

STATUS The City Council opened four district offices in FY 2017-18. Planning for the District 4 office has begun (location and opening date to be determined).

39 Census 2020

INITIATIVE Encouraging participation in Census 2020, including \$75,000 for the Mayor's Complete Count Committee. (Office of Strategic Partnerships and Government Affairs)

STATUS OSPGA is working with the Complete Count Committee to develop an outreach plan for Census 2020 and plans to conduct quarterly meetings to discuss solutions for accurately measuring hard-to-count areas of Dallas. The office is also preparing a fundraising budget and collaborating with Dallas County and surrounding cities to promote and fundraise for the Census, as well as share strategies throughout the region. Lastly, staff is identifying new partners to include in the National Census Bureau's strategic workshop planned for Spring 2019.

40 Office of Innovation

INITIATIVE Establishing an Office of Innovation, which will lead City staff in efforts to improve service, increase efficiency, and be more responsive to community input. (Office of Innovation)

STATUS The Office of Innovation was established effective October 1, 2018, and the new Chief Innovation Officer, Laila Alequresh, joined the City in January 2019.

41 ADA Compliance

INITIATIVE Investing \$200,000 to develop an Americans with Disabilities Act (ADA) transition plan that enhances the City's ADA compliance and addresses accessibility issues in City facilities. (Office of Equity and Human Rights)

STATUS OEHR has identified a vendor under a state price agreement and is finalizing the scope of work with City departments. Staff anticipates submitting the contract for City Council consideration in June 2019.

42 Availability & Disparity (A&D) Study

INITIATIVE Conducting a minority business study to inform decision makers on how the City can better support small and local businesses. (Office of Business Diversity)

STATUS Phase 1 of the Availability and Disparity (A&D) Study is currently underway. The first public engagement meeting is scheduled for February 5, 2019. An internal survey of department directors has already been completed. The vendor, MGT Consulting Group, has reviewed initial data collected and scheduled a data analysis meeting.

43 Compensation Study

INITIATIVE Complete a comprehensive study of the City's position classification and compensation systems. (Human Resources)

STATUS HR staff completed the project specifications, which include three distinct phases: Job Architecture, Compensation Strategy, and Market Survey. Procurement Services will be involved in the review of Phase I (Job Architecture), and staff anticipates vendor selection for this phase in mid-January 2019.

44 WorkDay HR/Payroll System

INITIATIVE Implementing a new human resource and payroll system and evaluating an additional module for uniformed employee scheduling. (Communication and Information Services)

STATUS Payroll, compensation, benefits, time tracking, absence, recruiting and talent management functionalities have been designed and configured. Data conversion from legacy systems (Lawson, Kronos, IDS, NEOGOV) is an ongoing activity as staff continues to work in those systems. The project management team is re-evaluating project timelines and will provide updated schedules for additional testing, as well as a new go-live date, prior to the next report.



Memorandum



CITY OF DALLAS

DATE February 1, 2019

TO Government Performance & Financial Management Committee

SUBJECT Auditor Nomination Commission Update

The February 4 meeting of the Government Performance & Financial Management Committee includes an agenda item to review the Auditor Nomination Commission process. Below is a brief update concerning applicants received and upcoming key dates to help facilitate our discussion.

Applicant Update

The City's search consultant, GovHR USA received 28 applicants, and is proceeding to interview and vet 12 of those applicants. The consultant will meet with the Commission on February 12, and expects to reduce that to 6 candidates. If any additional applicants are received by February 21, GovHR USA will review applications, and present viable applicants to the Commission for consideration.

Remaining Key Dates

Feb. 12

Commission members will meet to review and select candidates sourced by GovHR USA to be interviewed on the 21st

Feb. 21

Commission members to conduct panel interviews with select candidates

March 3

Deadline for City Auditor Nominating Commission to recommend finalists to City Council

TBD

City Council conducts interviews with finalists; extends offer to successful candidate

Should you have any questions, please contact my Liaison, Lauren Clayton, at 214-670-3816 or lauren.clayton@dallascityhall.com

Thank you,

Jennifer S. Gates

Councilmember, District 13

c: Honorable Mayor and Members of City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol A. Smith, City Auditor (Interim)
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors

Executive Recruitment for

CITY OF DALLAS, TEXAS

GovHR USA is pleased to announce the recruitment and selection process for **City Auditor** for the **City of Dallas, Texas**. This brochure provides background information about the City of Dallas and the Office of City Auditor, as well as the expected qualifications for the position. The City Auditor is appointed by and reports to the Dallas City Council. The previous City Auditor retired after serving the City for twelve years. Additional information about Dallas can be found on the City's website: <https://dallascityhall.com/>.

Candidates interested in applying for this position should submit a cover letter, resume and contact information for five (5) work-related references by January 14, 2019, to www.GovHRjobs.com Questions regarding this opportunity should be directed to the Executive Recruiter working with the City of Dallas:

Stephen B. Veitch, Vice President

GovHRUSA, LLC
630 Dundee Road, Suite 130
Northbrook, Illinois 60062
847-380-3240
Cell: 480-216-9203
Formal Applications should be submitted to:
www.GovHRjobs.com



City of Dallas

CITY AUDITOR



PROFESSIONAL ANNOUNCEMENT

Dallas is the cultural and economic hub of the Dallas-Fort Worth metroplex. Ranked as the ninth largest city in the U. S. with a population of 1.3 million, and the third largest in Texas, Dallas is also the fourth largest metropolitan area in the country.

The City of Dallas is recruiting candidates for the executive level position of City Auditor. The ideal candidate will be a visionary and collaborative leader who will oversee the office of City Auditor which was established by the Dallas City Charter. The City Auditor is appointed by and reports to the Mayor and City Council governing body.

The City Auditor's Office is the independent auditing authority of the City organization. Its work is conducted in accordance with generally accepted auditing standards established for government auditors. The Office manages and conducts financial, performance and compliance audits of City departments and other entities that receive State or Federal funding. In addition, the Office manages and conducts a fraud, waste and abuse investigative function for the City.

As the leader of the office, the City Auditor combines critical thinking skills, technical expertise and experience, and project management techniques to plan, conduct and report on audits. The Auditor directs audit teams in performance of audit procedures including identifying standards, developing criteria and selecting appropriate methodologies to meet audit objectives. Additionally, the Auditor oversees operations of the Employee Retirement Fund (ERF) as a member of the Fund's board.

The successful candidate will have the following qualifications and experience:

- Bachelor's degree in accounting, business administration, finance, economics or related field and ten (10) or more years of progressively responsible experience in auditing, financial analysis, accounting or other relevant field, including substantial supervisory level experience, or an equivalent combination of education and experience that provides the necessary knowledge, skills and abilities. A graduate degree is desirable.
- Texas CPA license or ability to obtain within six (6) months of appointment. Certification as a Certified Internal Auditor, Certified Information Systems Auditor,



Certified Fraud Examiner or other certification(s) related to the auditing function are desirable.

- Experience in internal auditing, development of audit plans, developing vision, mission, goals and objectives of an audit organization, and leading and managing a team of auditors. Strong understanding of internal controls. Knowledge of internal audit best practices and proven ability to implement such practices. Knowledge of regulatory requirements and accounting policies and procedures.
- Experience in accounting, business process analysis, auditing of financial and information systems, and investigation of fraud, waste and abuse in a large municipal environment highly desirable. Experience in investment and pension administration is a plus.
- Superior leadership, communication and team-building skills. Strong ethical framework and standards. Ability to make independent decisions and defend them. A passion for innovation.

Starting salary negotiable DOQ/E. Attractive benefits package. Apply online by January 14, 2019 with resume, cover letter and contact information for five (5) work-related references to Stephen Veitch, Vice President, GovHRUSA, at www.GovHRjobs.com. Residency in the City of Dallas is required within a period of time to be established by the City Council. Information submitted by candidates may be subject to disclosure under the Texas Public Information Act.

DALLAS

Dallas is the ninth most populous city in the United States and third in Texas (after Houston and San Antonio). It is the principal city in the fourth largest metropolitan area in the nation, the largest in the southern U.S. and largest inland metropolitan area in the country. The Dallas-Fort Worth metroplex consists of 120 cities and has a population of more than 7.2 million. Dallas is the seat of Dallas County and extends into portions of Denton, Kaufman, and Rockwell counties.

Dallas and nearby Fort Worth initially developed as a result of construction of major rail lines through the region allowing access to cotton, cattle and, later, oil. The construction of the interstate highway system reinforced Dallas' prominence as a transportation hub. Four interstate highways converge in the city and a fifth loops around it. Dallas subsequently developed as a major industrial and financial center, and inland port, due to the convergence of railroads and highways and construction of Dallas/Fort Worth International Airport, one of the

largest and busiest airports in the world.

Dallas' economy is robust and diverse. Dominant sectors include defense, financial services, information technology, telecommunications and transportation. Nine Fortune 500 companies are headquartered within the city limits, with many others calling the Dallas-Fort Worth Metroplex home. The diverse population of Dallas descends from a myriad of ethnic and religious backgrounds, and Dallas is home to the sixth largest LGBT population in the United States.

Key City Facts

Population: 1,197,816 (2010 Census); 1,341,075 (2017 estimate)

Metro Area Population: 7,233,323 (2017)

Incorporated: February 2, 1856

Land Area: 385.8 sq. mi. (340.5 sq. mi. land; 45.3 sq. mi. water)

Median Household Income: \$47,285 (2017)

Median Value of Owner-occupied Housing Units: \$154,000 (2017)



MUNICIPAL ORGANIZATION

The City of Dallas is an iconic municipal organization. It is governed by an elected City Council comprised of fifteen members, and is one of the largest cities in the country utilizing the Council-Manager form of government. The City Manager is one of four City employees appointed by the City Council. The others are the City Attorney, the City Auditor, and the City Secretary.

The current City Manager began his service to the City on February 1, 2017. The City Manager is responsible for more than 12,000 employees and a budget of more than \$3.1 billion. Under his leadership, and that of the City Council, the City of Dallas is embarking on a path of great opportunity for growth and innovation that will make the City the leading choice for work, life and play.



OFFICE OF THE CITY AUDITOR

The Office of the City Auditor performs work for and under the direction of the Dallas City Council. The mission of the Office is to promote public trust and advance accountability by providing independent, objective and useful professional services for the City. The budget for the Office is approximately \$3.5 million. The budgeted staffing level is 26 FTEs.

The Office establishes an annual Audit Plan to guide its activities. Consisting of 25 programs and projects, the Audit Plan for Fiscal Year 2019 (ending September 30) includes a variety of audits, attestation engagements, and other professional services and demonstrates reflects a range of City Council Key Strategic Priorities:

- Public Safety
- Mobility Solutions, Infrastructure, and Sustainability
- Economic and Neighborhood Vitality
- Human and Social Needs
- Quality of Life
- Government Performance & Financial Management

When performing audits and attestation engagements the Office complies with generally accepted government auditing standards. These standards provide a framework for conducting high-quality audits and attestation engagements with competence, integrity, objectivity and independence. The services performed under these standards include:

- **Performance Audits** – Conducted to provide objective analysis to assist City Management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties having responsibility to oversee or initiate corrective action, and contribute to public accountability.
- **Attestation Engagements** – Conducted to address a broad range of financial and non-financial objectives. An attestation engagement results in an examination, a review, or an agreed-upon procedures report on a subject or an assertion about a subject matter that is the responsibility of another party.
- **Financial Audits** – Conducted to provide an independent assessment of whether an entity's reported financial information is presented fairly and in accordance with recognized criteria. Financial audits provide users with statements concerning the reliability of information and provide information about internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements.

Other professional services, which may or may not be performed in accordance with generally accepted government auditing standards, include:

- **Investigative Services** – The Office provides investigative services to evaluate and investigate allegations of fraud waste and abuse and maintains a Hotline as a tool for the confidential reporting of allegations. Investigations are conducted in accordance with Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency.

- **City Council Support** – The Office is authorized to conduct audits, attestation engagements or other professional services for individual City Council Members, provided the request will not impact completion of the Audit Plan.
 - **Management Assistance** – The Office is authorized to perform audit and attestation services, and other professional services, at the request of City Management to assist in carrying out City Management’s responsibilities.
 - **Litigation Support** – The Office is authorized to audit and attestation services, and other professional services, at the request of the City Attorney.
- 7) *determining that general accepted accounting procedures and principles are followed.*
 - 7) *Evaluating the adequacy of the city’s accounting system and controls.*
 - 8) *Reporting to the city council, the city council finance committee, and the city manager any irregularities or failures to maintain adequate and accurate records.*
 - 9) *Making such studies and reports as the city council shall request or approve as to the efficiency, economy, and effectiveness of the programs, projects, of departments, and reporting such data to the city council, the city council finance committee, and the city manager.*
 - 10) *Acting, on behalf of the city, as liaison to external auditing agencies that are reviewing or auditing city operations or city programs that may be federally or state funded.*



THE CITY AUDITOR

The office of City Auditor was established by the Dallas City Charter. The Charter lists ten (10) specific duties and responsibilities of the position as follows:

- 1) *Conducting financial audits, compliance audits, economy and efficiency audits, special audits, and investigations.*
- 2) *Conducting, at the direction of the city council of the city council finance committee, and audit or investigation of any entity receiving funds from the city.*
- 3) *Ensuring the quality and accuracy of information received for business decision-making and for improvement of the processes and controls used to effectively manage city resources.*
- 4) *Monitoring and evaluating the city’s accounting and property records, funds, general accounting system, and records of city officers authorized to receive money or other property belonging to the city.*
- 5) *Examining the books, accounts, reports, vouchers, and records of city officers, of funds of the city, and of funds for which the city is responsible as trustee.*
- 6) *Appraising and verifying the accounting accuracy of financial records, statements, and reports, and*

Additionally, Dallas City Code designates the City Auditor as a voting member of the Employees’ Retirement Fund (ERF) Board of Trustees.

When a vacancy in the position of City Auditor occurs, Dallas City Code provides that a City Auditor Nominating Commission be appointed to nominate to the City Council one or more candidates for City Auditor. A Nominating Commission has been convened in connection with the current vacancy and intends to complete its work on or before March 1, 2019.

The City Auditor is appointed for a two-year renewable term. The previous City Auditor retired after serving the City for twelve years.

Challenges and Opportunities

The next City Auditor can expect to work with elected officials, City Management, Office of the Auditor Staff, and city staff on a number of near-term priorities including:

- Successful completion of the Fiscal Year 2019 Audit Plan and development of the Fiscal Year 2020 Audit Plan.
- Updating policies and procedures in the Office of the City Auditor to streamline and modernize operations, and working with staff to take the Office to the next level in terms of systems and methods.
- Establishing strong professional relationships with peer City of Dallas officials, the Office of City Controller, and other entities with which the Office of the City Auditor interacts.

CANDIDATE QUALIFICATION CRITERIA

The Dallas City Council is seeking candidates with high integrity, a collaborative approach, and an orientation toward results to serve as the next City Auditor. The following education, experience, leadership and management style criteria have been identified as important attributes for candidates to possess and demonstrate.

Education, Experience, Knowledge and Skills

- Bachelor's degree in accounting, finance, economics, or related field. A graduate degree in a related field is desirable.
- At least ten (10) years progressively responsible experience in auditing, financial analysis, accounting, or other relevant field, including substantial supervisory level experience. (An equivalent combination of education and experience that provides the necessary knowledge, skills and abilities may be considered.)
- A Texas CPA license of ability to obtain with six (6) months of appointment. Certification as a Certified Internal Auditor, Certified Information Systems Auditor, Certified Fraud Examiner or other certification(s) related to the auditing function are desirable
- Experience in internal auditing and development and implementation of audit plans.
- Knowledge of internal audit best practices and proven ability to implement such practices.
- Experience in public sector accounting and business process analysis.
- Experience in auditing of financial and information systems.
- Experience developing vision, mission, goals and objectives of an audit organization, and leading and managing a team of auditors.
- Experience in recruiting and developing staff.

- Strong understanding of internal controls.
- Knowledge of regulatory requirements and accounting policies and procedures.
- Proven ability to make independent decisions and defend them.
- Ability to see future problems and opportunities and to develop and adapt systems and methods to meet future needs.
- Ability to develop recommendations and improvement plans.
- Ability to be flexible and to switch priorities and projects quickly in response to rapidly changing conditions.
- Superior leadership, communication and team-building skills.
- Experience on investigation of fraud, waste and abuse in a large municipal environment is highly desirable.
- Experience in investment and pension administration is a plus.

Management and Leadership Style

The ideal candidate will:

- Be a person with a strong ethical framework who exhibits the highest standards of honesty and integrity.
- Have a strong executive presence.
- Have a passion for innovation and for taking an organization to the "next level".
- Be a person who leads with an inclusive and collaborative style and deals with all in a professional, fair, straightforward, and responsive manner.
- Be a person who believes in and has a history of organizational transparency and encouraging involvement and input of staff.

- Be a critical thinker able to distill information with clarity and who provides considered advice and a steady voice.
- Be a person who is flexible and welcomes change, and who is willing to question the status quo and be a force for constructive and positive change.
- Be a person who exhibits a calm, disciplined and communicative demeanor.
- Be a patient, resilient, and visionary leader with the ability anticipate problems and opportunities, and understand current and past practices without being constrained by them.
- Be a person who is comfortable working in a complex environment.
- Be a good listener.

COMPENSATION AND BENEFITS

The starting salary for the City Auditor is negotiable, dependent upon the qualifications and experience of the candidate selected. The City of Dallas offers an attractive benefits package. The position participates in the Dallas Employee's Retirement Fund (ERF).





To: City Council Member Jennifer Gates, Chair
Government, Performance and Financial Management Committee
City of Dallas

From: Jan Perkins, Senior Partner

Subject: Question Regarding Role of Chief Financial Officer in Audit Process

Date: January 21, 2019

This memorandum provides Management Partners' response to the question you posed regarding involvement of the Chief Financial Officer or her staff in the audit process. The specific question we are responding to is as follows: *Should the Chief Financial Officer or her staff be involved in the audit process performed by the City Auditor's Office?*

Management Partners understands that the City Manager's interest is in ensuring accountability for implementing the audit recommendations, which is a shared goal of the City Auditor, and is the expectation of the City Council. We also understand that implementation of audit recommendations has historically been in the 40% range and that the City Manager is committed to a much higher implementation rate. As a result, he has assigned the Chief Financial Officer a key role in achieving this higher implementation rate. The issue raised by the City Auditor pertains to ensuring the independence of the City Auditor's Office in carrying out the role they are charged with.

Understanding and respecting the separate roles of the City Manager and City Auditor, there remains a shared goal that will be enhanced by ongoing communications between the two offices. Discussing specific audit projects and identifying process improvements will aid in achieving that goal. We recommend that the Interim City Auditor, City Manager and Chief Financial Officer collaborate to develop practical solutions, including agreed-upon points of involvement, that will meet the needs of the City Auditor for independence and the City Manager for implementation accountability.

Please let me know if you have questions for Management Partners about this memorandum.

Cc: Carol Smith, Interim City Auditor
T.C. Broadnax, City Manager



To: City Council Member Jennifer Gates, Chair
Government, Performance and Financial Management Committee
City of Dallas

From: Jan Perkins, Senior Partner

Subject: Responses to Two Questions About the City Auditor Position

Date: January 21, 2019

This memorandum provides Management Partners' responses to two questions you posed about the City Auditor position. The questions we are responding to are:

- Should the City Auditor's Office investigate inquiries or complaints about a member of the City Council?
- Should the *City Auditor's Responsibilities and Administrative Procedures* document and job description for City Auditor be updated?

Our team has studied these questions from several perspectives including local government best practices, professional guidance for auditors and an understanding of what is needed for effective implementation by city management. We reviewed the following documents.

- Memo from Interim City Auditor to John Rogers, Ethics Advisory Commission (Chapter 12A Code of Ethics) dated November 28, 2018
- City Charter Chapter IX – City Auditor
- City Charter Chapter III – Investigations
- Administrative Directive 2-14 Fraud, Waste, and Abuse Procedures
- City Council Resolution 90-4027 Changes to City Auditor Responsibilities and Administrative Procedures dated December 12, 1990
- Job announcement for recruitment of City Auditor, dated December 6, 2018

Question 1. Should the City Auditor's Office investigate inquiries or complaints about a member of the City Council?

In a November 28, 2018 memorandum from Interim City Auditor Carol Smith to the Chair of the Ethics Advisory Commission (Commission), John Rogers, Ms. Smith asked for guidance from the Commission on the following question: "In the event an ethics complaint contains allegations against City Council members, is the City Auditor expected or required to initiate investigations despite the fact that the Office of the City Auditor is not independent to do so?"

The memorandum goes on to explain that since July of 2017, sixty-one complaints were made against City Council members through the City's Fraud, Waste, and Abuse Hotline alleging City Ethics Code violations. To address these complaints, the City Auditor's Office forwarded them to the City Secretary, who subsequently sent them to the Committee for review and consideration.

Ms. Smith's concern is that since the City Auditor reports to, is hired, evaluated and could be terminated by the City Council, the independence of the City Auditor's Office would be put into question should that Office conduct an investigation that involved one or more City Council members. To date this has not occurred since, as noted above, the City Auditor's Office has so far passed any such complaints on to the City Secretary to be addressed by the Commission.

Management Partners has reviewed the U.S. Government Accountability Office's (GAO) *Government Auditing Standards 2018 Revision* (also referred to as the *Yellow Book*) and concurs with the Interim City Auditor that their involvement in an internal investigation of a member of the City Council would impair the appearance of independence of that Office. In particular, Section 3.30(e) of the *Yellow Book* refers to this type of situation as an "undue influence threat," which states the concern that the, "threat that influences or pressures from sources external to the audit organization will affect an auditor's ability to make objective judgments."

Applicable examples in the *Yellow Book* of possible impairment of auditor independence (Section 3.42 paragraphs (d) and (g)), include circumstances where there is "external interference over assignment, appointment, compensation, and promotion," or the "threat of replacing the auditor or the audit organization based on a disagreement with the contents of an audit report, the auditors' conclusions, or the application of an accounting principle or other criteria." Either of these examples could come into play should the City Auditor's Office be required to investigate complaints filed against a member of the City Council.

Given the auditing standards set by the GAO noted above, Management Partners agrees with the current approach of having the Commission review and make a determination regarding complaints against City Council members, rather than any investigation by the City Auditor's Office. The only role that the City Auditor's Office should have with regards to such complaints is to determine if the anonymous complaint is complete and if it alleges a violation of the City's Ethics Code. In those instances, the City Auditor would forward the complaint to the City Secretary for review by the Ethics Advisory Commission. If a complaint is not complete, the City Auditor would take no action.

Recommendation: Maintain the current practice of forwarding anonymous complaints related to the Mayor and/or Council members to the City Secretary for review by the Ethics Advisory Commission.



Question 2: Should the City Auditor's Responsibilities and Administrative Procedures document and job description for City Auditor be updated?

We reviewed a document entitled *City Auditor's Responsibilities and Administrative Procedures*. This document is dated December 1990. Much has changed in the last 28 years, including auditing standards that have been revised quite recently. The GAO Government Auditing Standards were revised in July 2018 and the Institute of Internal Auditors revised its *International Standards for the Professional Practice of Internal Auditing* in January 2017.

The City is recruiting for a City Auditor and as part of that process has prepared a job announcement. It is important that the new City Auditor operate under current standards and guidelines. Therefore, a task that should be undertaken is to update the *City Auditor's Responsibilities and Administrative Procedures* document to reflect new standards, guidelines, policies and procedures established since 1990. It would be advisable for a draft to be prepared prior to the appointment of the new City Auditor so that it could then be finalized with his or her input in a timely manner.

Recommendation: Update the *City Auditor's Responsibilities and Administrative Procedures* and job description to reflect current professional standards as well as any applicable changes in City of Dallas policies or procedures.

Conclusion

The position of City Auditor has served an important function in the City of Dallas for many years. The question of auditor independence is always one of concern for the position, which is relevant to the question of handling complaints about members of the City Council. Additionally, as the City recruits for a new City Auditor, it is an appropriate time to update the document outlining the responsibilities of the position so they reflect today's professional standards and existing City of Dallas policies.

Please let me know if you have questions for Management Partners about this memorandum.

Cc: Carol Smith, Interim City Auditor
T.C. Broadnax, City Manager



Memorandum



CITY OF DALLAS

DATE: January 30, 2019

TO: Honorable Members of the Government Performance & Financial Management Committee

SUBJECT: City Auditor's Responsibilities and Administrative Procedures

Per City Council Member Gates' request, I am providing information to assist you should you decide to consider potential changes to the City Auditor's responsibilities and administrative procedures.

The Association of Local Government Auditors (ALGA) provides *Model Legislation Guidelines for Local Government Auditors* (Model Legislation) [see textbox and Attachment III]. The Office of the City Auditor compared the City Auditor's responsibilities and administrative procedures, as specified in the City Charter, City Code, and in City Council Resolution 90-4027, to the Model Legislation. Then, we compared the Model Legislation to the legislation of seven comparable extra-large and large audit offices¹ and analyzed the results to determine if changes are necessary.

Association of Local Government Auditors

Auditing is a cornerstone of good public sector governance and stewardship. The Association of Local Government Auditors (ALGA) supports the establishment and continuous improvement of independent financial and performance auditing in local government.

Local governments establish, staff, and maintain independent audit functions to enhance accountability, earn and increase citizen confidence and respect for government, and provide an independent and objective perspective.

Source: ALGA *Model Legislation Guidelines for Local Government Auditors*

In contrast to the large audit offices, the results show the extra-large audit offices, including the City of Dallas (City), generally align with the Model Legislation (see Attachments I and II). The results also show the:

- City of Austin's and the City of San Antonio's legislation more closely aligns with the Model Legislation than the legislation of the other audit offices
- Model Legislation and the legislation of the audit offices do not address day-to-day audit coordination with management

¹ The seven audit offices include: Extra-large - (1) City of Austin; (2) City of Phoenix; (3) City of San Antonio; and Large - (1) City of Charlotte; (2) City of Fort Worth; (3) City of Long Beach; and, (4) City of San Jose. The audit offices were selected from the ALGA database. The analysis was limited to cities with comparable size audit offices that have a City Council/City Manager form of government.

- Office of the City Auditor has opportunities to further align with the Model Legislation through City Charter and City Council Resolution changes

Although the City Auditor's responsibilities and administrative procedures, as specified in the City Charter, City Code, and in City Council Resolution 90-4027, do not completely align with the Model Legislation, the Office of the City Auditor follows *Government Auditing Standards*. Therefore, the Office of the City Auditor's policies and procedures and operational practices result in a more complete alignment.

Because consideration of changes to the City Charter is not feasible for several years and the analysis shows the Office of the City Auditor generally aligns with the Model Legislation, changes to the City Auditor's responsibilities and administrative procedures are not urgent. An updated City Council Resolution, however, would allow the City Council an opportunity to strengthen the Office of the City Auditor's independence and update the language to align with the Model Legislation.

If you have any questions or would like additional information, please contact me at 214-670-4517 or by email at carol.smith@dallascityhall.com.

Sincerely,



Carol A. Smith, CPA, CIA, CFE, CFF
Interim City Auditor

Attachments

C: T.C. Broadnax, City Manager
Christopher J. Caso, Interim City Attorney
Kimberly Bizer Tolbert, Chief of Staff
M. Elizabeth Reich, Chief Financial Officer

**Comparison of Association of Local Government Auditors Model Legislation Components
To Extra-Large City Audit Offices' Legislation**

Model Legislation Component	City of Austin	City of Dallas	City of Phoenix	City of San Antonio
Organizational Independence – Establishment of the Audit Function	Y	Y	N	Y
Term	Y	P	N	P
Nonpartisanship	N	Y	N	Y
Restrictions on Other Candidacy	Y	N	N	Y
Qualifications - Competent Leadership	Y	Y	N	Y
Compensation	N	N	N	P
Funding	P	Y	N	Y
Appointment of Employees	Y	Y	N	Y
Professional Development	N	N	N	Y
Powers and Duties; Scope of Audits	Y	Y	Y	Y
Standards	Y	P	N	Y
Audit Committee	P	P	N	Y
Audit Schedule	P	Y	N	P
Access to Employees, Records and Property	P	P	P	P
Agency Response	P	P	N	N
Audit Reports	Y	Y	N	N
Report of Irregularities	Y	Y	N	Y
Annual Report	Y	N	N	N
Audit Follow-up	Y	Y	N	Y
Contract Auditors, Consultants and Experts	Y	N	N	Y
Peer Reviews	P	P	N	Y

Source: City Auditor analysis of City Charters, City ordinances, and other relevant legislation

- Y – Aligns with the Association of Local Government Auditors (ALGA) Model Legislation Component
P – Partially aligns with ALGA Model Legislation Component
N – Does not align with ALGA Model Legislation Component

**Comparison of Association of Local Government Auditors Model Legislation Components
To Large City Audit Offices' Legislation**

Model Legislation Component	City of Charlotte	City of Fort Worth	City of Long Beach	City of San Jose
Organizational Independence – Establishment of the Audit Function	N	Y	Y	Y
Term	N	P	Y	Y
Nonpartisanship	N	N	N	N
Restrictions on Other Candidacy	N	N	N	N
Qualifications - Competent Leadership	N	P	Y	N
Compensation	N	P	N	N
Funding	N	N	N	N
Appointment of Employees	N	N	Y	Y
Professional Development	N	N	N	N
Powers and Duties; Scope of Audits	P	Y	Y	Y
Standards	Y	N	N	N
Audit Committee	N	N	N	N
Audit Schedule	P	P	N	N
Access to Employees, Records and Property	P	P	N	P
Agency Response	N	N	N	N
Audit Reports	Y	N	P	Y
Report of Irregularities	N	N	Y	N
Annual Report	N	N	N	N
Audit Follow-up	N	N	N	N
Contract Auditors, Consultants and Experts	N	N	N	N
Peer Reviews	N	N	N	P

Source: City Auditor analysis of City Charters, City ordinances, and other relevant legislation

Y – Aligns with the Association of Local Government Auditors (ALGA) Model Legislation Component

P – Partially aligns with ALGA Model Legislation Component

N – Does not align with ALGA Model Legislation Component

**The Association of Local Government Auditors
Sample Enabling Legislation: Charter or Code**

The Charter or Code to establish an audit function is an important document. It sets forth the qualifications, duties, powers and manner of securing the office of the local government Auditor. The local governing body will enact legislation in various forms, depending on the particular state or provincial constitution or statutes. The information contained in this document is to be considered as general guidelines to be adapted in context with applicable state or provincial laws. Elements described on the following pages are applicable to a legislatively appointed or elected Auditor and, with some modifications to a management-appointed Auditor.

Ordinance/Resolution/Policy Statement

WHEREAS, public officials, government managers, and private citizens want and need to know not only whether government funds are handled properly and in compliance with laws and regulations, but also whether public programs are achieving the purposes for which they were authorized and funded, and, whether they are doing so efficiently, effectively, and equitably;

WHEREAS, an independent auditing function can provide objective information on the operations of government programs, assist managers in carrying out their responsibilities, and help ensure full accountability to the public;

WHEREAS, recognized government auditing standards provide a framework for improved government decision-making, oversight and accountability;

WHEREAS, the independence and public accountability of the Auditor can be assured by provision of an (elected or legislatively appointed) Auditor;

NOW BE IT RESOLVED;

Organizational Independence – Establishment of the Audit Function

(Elected or Appointed) The (NAME OF OFFICE/DEPARTMENT) is hereby established.

(Appointed Auditor) The (CITY/COUNTY) Auditor shall be designated through appointment by a majority vote of the (LEGISLATIVE BODY).

Term

(Elected Auditor) The term of the Auditor shall be _____ years.

(Appointed Auditor) The Auditor shall serve a minimum term of _____ years, unless removed for cause by a vote of at least two-thirds of the legislative body. The Auditor may be reappointed at the end of the term of office.

Nonpartisanship

The position of the Auditor shall be nonpartisan.

Restrictions on Other Candidacy

Filing for an elective office over which the Auditor has audit jurisdiction will be the same as resignation, effective as of the date of filing.

Qualifications - Competent Leadership

The Auditor shall possess adequate professional proficiency for the job, demonstrated by relevant certifications such as Certified Internal Auditor (CIA), Certified Public Accountant (CPA) or Chartered Accountant (CA) or have an advanced degree and at least five (5) years of experience in government auditing, evaluation or analysis. The Auditor should have a bachelor's degree in public policy, accounting, business administration, economics or a related field. (note: for elected auditors, qualification will have to be more specific. Some U.S. cities require obtaining either the CPA or the CIA designation, while a few require only that the individual be registered to vote in the entity.)

Compensation

The Auditor shall be compensated at a level consistent with the jurisdiction's department directors. Experience, performance, certifications and advanced degrees may be taken into account in determining compensation.

(Elected or Appointed) Auditor may include: The (CITY/COUNTY) Auditor's salary shall be set by the legislative body and reviewed annually. (In some jurisdictions, specific guidelines for the Auditor's salary and budget are established in the Charter or Code. Salary guidelines for elected auditors sometimes are tied to salaries of judges or other auditors)

Funding

Sufficient funds shall be proposed and approved to carry out the responsibilities specified herein. The Auditor's budget shall be submitted to Council directly by the Auditor or by the Audit Committee. (Note: more specific language in some entities requires that the audit function receive a specific percentage of the annual budget or exempts the function from management proposed across the board budget reductions).

Appointment of Employees

The Auditor shall have the power to appoint, employ, and remove such assistants, employees and personnel as deemed necessary for the efficient and effective administration of the affairs of the office and to prescribe their duties, scope of authority and qualifications.

Professional Development

Sufficient resources shall be made available to the Auditor and staff to ensure appropriate professional development, continuing professional education and compliance with applicable certification requirements.

Powers and Duties; Scope of Audits

The Auditor shall have authority to conduct financial and performance audits of all departments, offices, boards, activities, agencies and programs of the entity in order to independently and objectively determine whether:

- 1. Activities and programs being implemented have been authorized by government Charter or Code, state or provincial law or applicable federal law or regulations and are being conducted and funds expended in compliance with applicable laws;*
- 2. The department, office, or agency is acquiring, managing, protecting, and using its resources, including public funds, personnel, property, equipment, and space, economically, efficiently, equitably, and effectively and in a manner consistent with the objectives intended by the authorizing entity or enabling legislation;*
- 3. The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices;*

4. *The desired result or benefits are being achieved;*
5. *Financial and other reports are being provided that disclose fairly, accurately, and fully all information required by law, to ascertain the nature and scope of programs and activities, and to establish a proper basis for evaluating the programs and activities including the collection of, accounting for, and depositing of, revenues and other resources;*
6. *Management has established adequate operating and administrative procedures and practices, systems or accounting internal control systems and internal management controls; and*
7. *Indications of fraud, abuse or illegal acts are valid and need further investigation.*

Standards

Audits shall be conducted in accordance with recognized government auditing standards.

Audit Committee

Note: An audit committee may be established in an advisory capacity to provide recommendations on such issues as the Auditor's salary, work program, review of the audit function and hiring and oversight of external auditors. An elected Auditor may consider establishing an audit committee to ensure that audit issues receive appropriate attention and resources from the governing body, and to safeguard against challenges to independence from management. The following describes a possible audit committee structure when the Auditor is appointed by the legislative branch or by the independent audit committee itself. This structure, with minor modifications, would also serve to enhance the independence of a management-appointed Auditor or, with additional modifications, an elected Auditor.

1. *To ensure independence of the audit function, an audit committee is hereby established. The audit committee shall consist of _____ voting members; _____ (Council or Board Members) and _____ at-large members, who shall be appointed by the legislative body. The _____ at-large members shall be residents of the (CITY/COUNTY) with expertise in auditing, preferably performance auditing as well as financial auditing. Minimum professional standards shall include at least five years of experience as a performance auditor, a Certified Public Accountant, Certified Internal Auditor, Certified Management Accountant or ten years of other relevant professional experience. Of the _____ at-large members, one member shall be appointed for a term expiring on January 31, 20xx; one member shall be appointed for a term expiring on January 31 of the following year; and one member shall be appointed for a term expiring on January 31 of the subsequent year. Thereafter, members shall be appointed for three-year terms. The _____ at-large members are limited to two full consecutive terms, with one-year intervening before they become eligible for reappointment.*
2. *The audit committee shall consult with the (CITY/COUNTY) Auditor regarding technical issues and work to assure maximum coordination between work of the Auditor's office and external audit efforts.*
3. *The audit committee shall meet as needed to perform its duties but shall not meet less than once quarterly and shall be responsible for:*
 - *Reviewing the Auditor's audit plan annually and submitting a proposed Auditor's Office budget annually to the (CITY COUNCIL/COUNTY BOARD) (note: or to the Auditor for submission to the legislative body);*
 - *Performing regular evaluations of the (CITY/COUNTY) audit function (if not elected) and making recommendations for the chief audit executive's salary and staffing; reporting results to the (CITY COUNCIL/COUNTY BOARD);*
 - *Providing suggestions and comments for the annual audit plan;*

- *Ensuring that audit reports are transmitted to the legislative body and to the public;*
 - *Monitoring follow-up on reported findings to assure corrective action is taken by management;*
 - *Reporting to the legislative body on problems or problem areas at such times as deemed appropriate;*
 - *Conducting or overseeing the requests for proposal and selection process for the firm conducting the annual financial statement audits; ranking and recommending in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services. If fewer than three firms respond to the RFP, the committee shall recommend such firms as it deems to be the most highly qualified. (note: alternatively, the Auditor may conduct the RFP process and the audit committee may select the firm);*
 - *Evaluating the firm providing annual financial statement auditing services and providing oversight of those services, including ensuring transmission of reports and follow up on corrective action by management;*
 - *Evaluating the findings and recommendations of the peer review as required by recognized government auditing standards;*
 - *Consulting with the (CITY/COUNTY) Auditor regarding technical issues with the external audit firm, and working to assure maximum coordination between work of the Auditor's Office and contracted audit efforts and other consulting engagements;*
 - *Maintaining the confidentiality of personnel matters while taking responsibility for appropriate disclosure to the legislature or to the public;*
 - *At least annually, meeting separately with the (CITY/COUNTY) Manager, (CITY/COUNTY) Auditor, the chief financial officer, and the audit firm, to evaluate the condition of the entity's controls, systems and risk, and performance of the audit firm, and to discuss other matters the firm, the auditors, or staff desires or is required to bring to the committee's attention such as fraud, illegal acts, and financial and control weaknesses.*
4. *The audit committee shall have the authority to hire outside experts, including legal counsel, when necessary.*
5. *Sufficient resources shall be provided to enable the audit committee to carry out these responsibilities.*

Audit Schedule

At the beginning of each calendar/fiscal year, the Auditor shall submit a one-to-five-year audit schedule to the legislative body or audit committee for review and comment. The schedule shall include the proposed plan, and the rationale for the selections, for auditing departments, offices, boards, activities, subcontractors and agencies for the period. This schedule may be amended after review with the legislative body or audit committee, but the Auditor shall have final authority to select the audits planned.

In the selection of audit areas and audit objectives, the determination of audit scope and the timing of audit work, the Auditor should consult with federal and state or provincial auditors and external auditors so that the desirable audit coverage is provided and audit effort is properly coordinated.

Access to Employees, Records and Property

All officers and employees of (NAME OF ENTITY) shall furnish to the Auditor unrestricted access to employees, information and records (including electronic data) within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts and methods of business required to conduct an audit or

otherwise perform audit duties. In addition, they shall provide access for the Auditor to inspect all property, equipment and facilities within their custody. If such officers or employees fail to produce the aforementioned access and/or information, the Auditor may initiate a search to be made and exhibits to be taken from any book, paper or record of any such official or employee, or outside contractor or subcontractor, except as governed by statute. Further, all contracts with outside contractors and subcontractors shall contain a "right-to-audit" clause and provide for Auditor access to the contractor's employees and to all financial and performance related records, property, and equipment purchased in whole or in part with governmental funds. (note: some jurisdictions specify subpoena powers for the Auditor)

Agency Response

A final draft of the audit report will be forwarded to the audited agency and the chief executive officer for review and comment regarding factual content prior to its release. The agency must respond in writing, specifying (i) agreement with audit findings and recommendations or reasons for disagreement with findings and/or recommendations; (ii) plans for implementing solutions to issues identified; (iii) a timetable to complete such activities. The response must be forwarded to the Auditor within (SPECIFY TIME FRAME). The Auditor will review and report on information included in the agency's response. If no response is received, the Auditor will note that fact in the transmittal letter and will release the audit report.

Audit Reports

Each audit will result in a report, written or in some other retrievable form. The report shall contain relevant background information and findings and recommendations, and shall communicate results to the audit committee, legislative body management and the public.

Report of Irregularities

If, during an audit, the Auditor becomes aware of abuse or illegal acts or indications of such acts that could affect the governmental entity, the Auditor shall report the irregularities to the audit committee, the chief executive officer, legislative counsel or legislative body. In the case of an Auditor appointed by the chief executive officer, if the chief executive officer is believed to be a party to abuse or illegal acts, the Auditor shall report the acts directly to the legislative body. If it appears that the irregularity is criminal in nature, the Auditor shall notify the chief prosecuting authority in addition to those official previously cited.

Annual Report

The Auditor shall submit an annual report to the legislative body indicating audits completed, major findings, corrective actions taken by administrative managers, and significant issues which have not been fully addressed by management.

Audit Follow-up

The Auditor shall follow-up on audit recommendations as practical to determine if corrective action has been taken. The Auditor may request periodic status reports from audited agencies regarding actions taken to address reported deficiencies and audit recommendations.

Contract Auditors, Consultants and Experts

The Auditor may obtain the services of Certified Public Accountants, qualified management consultants, or other professional experts necessary to perform audit work. An audit that is performed by contract must be conducted by persons who have no financial interests in the affairs of the governmental entity or its officers. The Auditor will coordinate, and monitor auditing performed by certified public accounting firms or other organizations employed under contract by the (NAME OF ENTITY) to assist with audit related activities. Contracting for the external audit will follow (NAME OF ENTITY)'s normal contracting processes except for the participation and

oversight by the Audit Committee (and/or Auditor). The selection of a certified public accounting firm for the annual financial audit must be approved by (LEGISLATIVE BODY).

Peer Reviews

The audit activities of the Auditor's office shall be subject to a peer review in accordance with applicable government auditing standards by a professional, nonpartisan objective group utilizing guidelines endorsed by the Association of Local Government Auditors (ALGA). A copy of the written report of this independent review shall be furnished to each member of the (LEGISLATIVE BODY).

The peer review will use applicable government auditing standards to evaluate the quality of audit effort and reporting. Specific quality review areas shall include staff qualifications, adequacy of planning and supervision, sufficiency of work paper preparation and evidence, and the adequacy of systems for reviewing internal controls, fraud and abuse, program compliance, and automated systems. The peer review will also assess the content, presentation, form, timelines, and distribution of audit reports. The (NAME OF ENTITY) shall pay for the costs of the peer review from the Auditor's budget.

Memorandum



CITY OF DALLAS

DATE February 1, 2019

Honorable Members of the Government Performance & Financial Management
TO Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,
Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Electronic Procurement Platform**

On March 19, 2018, the Office of Procurement Services (OPS) briefed the Government Performance & Financial Management Committee on recommended procurement process changes, including the need for an online bidding system. In fall 2018, OPS began testing a new electronic procurement platform, Bonfire Interactive, in conjunction with Communication & Information Services (CIS). The attached briefing provides information on the current procurement process, an overview of the new electronic procurement platform, and the benefits of the system.

Bonfire will allow the City of Dallas to reduce project timelines through an electronic and streamlined platform, increase competition through a network of thousands of vendors nationwide, and provide an easy and convenient portal for vendors. It can also automate tabulations and evaluations, reducing potential errors. Finally, Bonfire is a fully secure cloud-based platform that meets current state law requirements.

Prior to implementation, State law requires the City of Dallas to adopt rules to ensure the identification, security, and confidentiality of electronic bids and proposals, and to ensure that they remain unopened until the proper time. The City Council will consider the adoption of Electronic Procurement Rules, drafted by OPS and the City Attorney's Office to comply with State Law, on February 13, 2018.

Upon City Council adoption of the rules, OPS will notify existing and prospective vendors that we are transitioning to an online bidding system, and conduct outreach with the Office of Business Diversity. We anticipate implementation of the new portal beginning March 1, 2019. Thank you for your support of operational efficiencies that benefit the City and our business community.


M. Elizabeth Reich
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol A. Smith, City Auditor (Interim)
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors

Electronic Procurement Platform

Government Performance & Financial
Management Committee

February 4, 2019

Mike Frosch, Director
Juanita Ortiz, Assistant Director

Office of Procurement Services



City of Dallas

Presentation Overview

- FY 2018 Update
- Current Procurement Platform & Challenges
- Staff Recommendation
- Implementation & Outreach
- Next Steps
- Questions

Background – FY 2018 Update

167 Agenda Items

\$445M
Awarded
\$5.5M
Revenue

95.2% On Contract
Spend

Dallas City Code
Chapter 2 & 15B
modifications

Implementation of
Electronic
Solicitation Tracking
System

\$8.6M in revenue -
Express Business
Center/City Store

Background – Current Procurement Platform

- Currently solicitations are advertised via the City's Financial System, AMS Advantage
- Electronic submissions are not accepted, and only hard copies are accepted
- OPS staff is responsible for ensuring the security and confidentiality of bids and proposals prior to bid openings
- Buyers conduct all bid tabulations and scoring manually
- Hard copy proposals are evaluated and scored by city staff

Background – Challenges

- System maintenance issues
- System is not user-friendly
- Vendor account management issues
- Hard copies and manual scoring can result in:
 - Higher risk for errors
 - Increased procurement timelines
 - Cumbersome for potential bidders

Staff Recommendation - Bonfire

- In mid 2018, OPS began testing a new electronic procurement platform
- In conjunction with CIS Bonfire was vetted to ensure the security, confidentiality, and identification of electronic bids and proposals
- Staff training was held and several test solicitations were conducted to ensure a smooth transition

Staff Recommendation - Benefits

- Eliminate manual processes and forms in order to reduce project timelines
- Increase competition, through notification of solicitations reaching thousands of vendors nationwide
- Streamline the solicitation process through an easy and convenient online portal with full customer support
- Automate bid tabulations and evaluations, eliminating hard copy and reducing potential errors
- Provide a secure and fully cloud-based online portal with bank-grade security, disaster recovery plans, automatic compliance and accessibility features

Staff Recommendation - Bonfire

[Log in](#)
Open Public Opportunities
Past Public Opportunities

Status	Ref. #	Project	Close Date	Days Left	Action
OPEN	1901-030	Freedom Fest Children's Entertainment Area	Jan 24th 2019, 2:00 PM CST	2	View Opportunity
OPEN	1912-029	Point of Sale Software	Jan 24th 2019, 2:00 PM CST	2	View Opportunity
OPEN	1901-031	On-Site or Near-Site Employee Health Clinic	Feb 5th 2019, 2:00 PM CST	14	View Opportunity
OPEN	1910-014	Community Parks Restroom Cleaning	Feb 6th 2019, 2:00 PM CST	15	View Opportunity
OPEN	1910-018	Procurement Card Program and E-Payment Solution	Feb 7th 2019, 2:00 PM CST	16	View Opportunity
OPEN	1901-034	Employee Benefits Concierge and Transparency Services	Feb 8th 2019, 2:00 PM CST	17	View Opportunity
OPEN	1901-038	Art in the Atrium 18	Feb 22nd 2019, 4:00 PM CST	32	View Opportunity

[Technical Support](#)
[Portal Security](#)
[Terms of Service](#)
[Privacy Policy](#)

Powered by  Bonfire

Staff Recommendation - Bonfire

3 New Opportunities this Week!
 To: manager@clearingspecialists.ca
 From: opportunities@bonfirehub.com

Dear Vendor,
 You have 2 new opportunities this week:

HVAC Annual Service
 Closes in 65 Days
 Inspection, maintenance and repair of heating and co... [View Project](#)

Facilities Maintenance
 Closes in 50 Days
 Mechanical and general repair to North Plant [View Project](#)

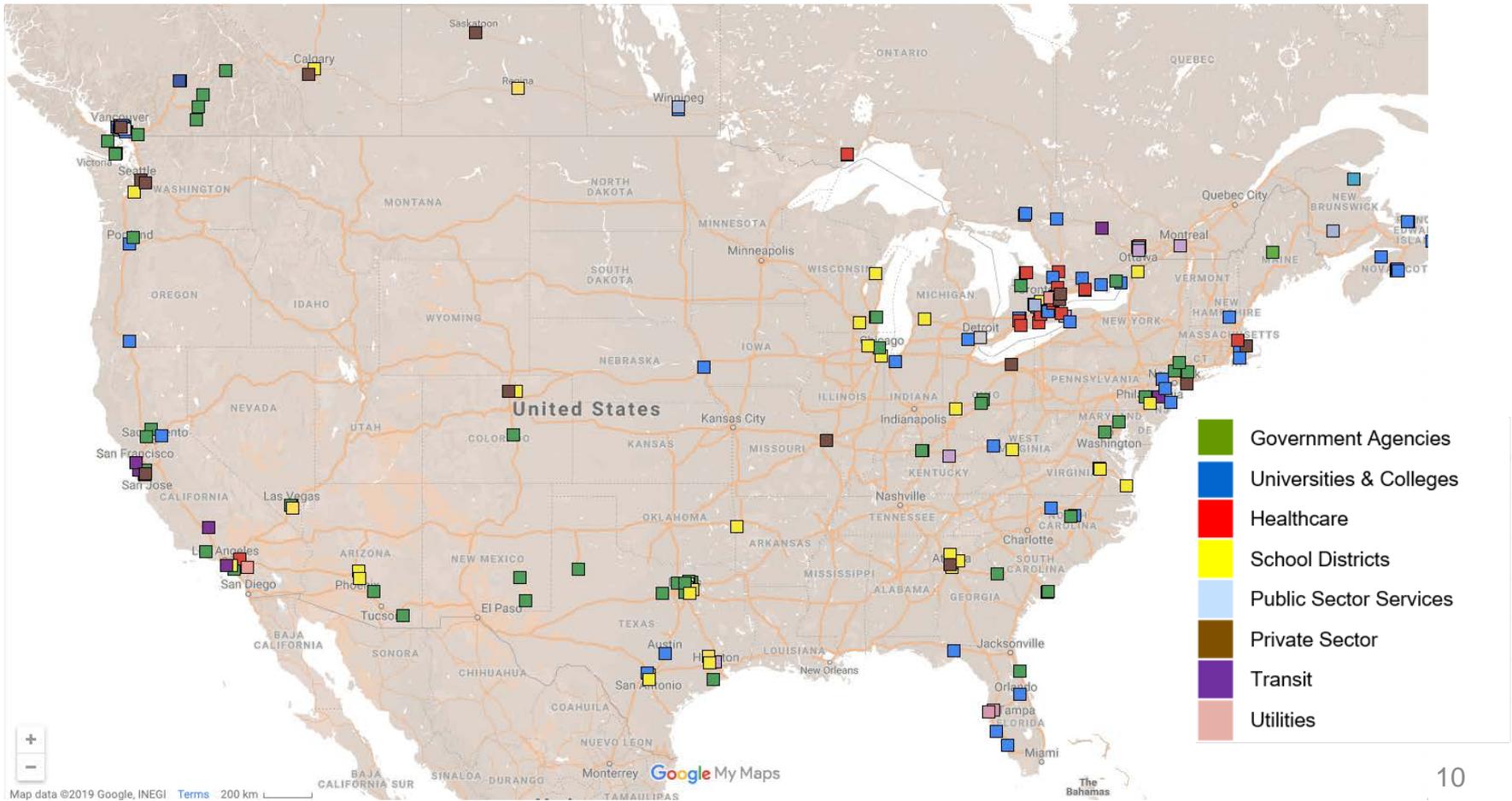
Happy bidding!
 The Bonfire Team



Manage Criteria

TITLE	POINTS	TYPE	EVALUATION GROUPS
Proposal Documents	60	Criteria Group	
Service Requirements	100	0 - 10	Financial <input checked="" type="checkbox"/> Compliance <input checked="" type="checkbox"/> Tech <input checked="" type="checkbox"/>
Delivery and Installation	25	0 - 10	Financial <input type="checkbox"/> Compliance <input type="checkbox"/> Tech <input checked="" type="checkbox"/>
Technical Specifications	50	0 - 10	Financial <input type="checkbox"/> Compliance <input type="checkbox"/> Tech <input checked="" type="checkbox"/>
Pricing	40	Criteria Group	
Total Price	10	Pricing	Financial <input checked="" type="checkbox"/> Compliance <input type="checkbox"/> Tech <input type="checkbox"/>

Staff Recommendation - Bonfire

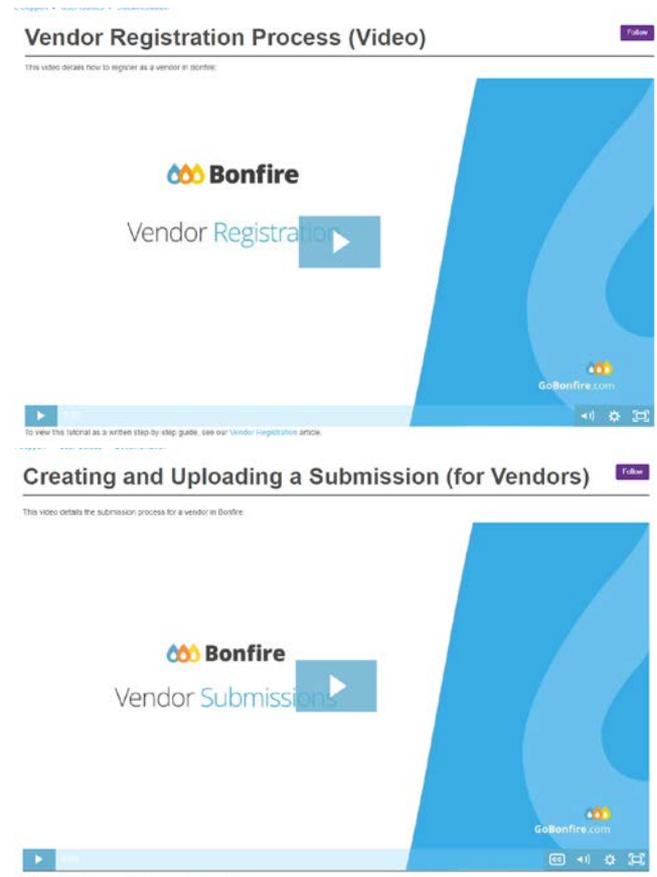


Staff Recommendation – Chapter 252

- Chapter 252 of the Texas Local Government Code authorizes municipalities to receive competitive bids and proposals through electronic submission if the City Council adopts rules to ensure the identification, security & confidentiality of electronic bids and proposals, and to ensure that they remain effectively unopened until the proper time
- In conjunction with the City Attorney's Office and best practices, the attached Electronic Procurement Rules were drafted to comply with State Law

Implementation & Outreach

- Notify existing & prospective vendors through:
 - Website banners
 - Notices on OPS staff correspondence and addendums on all open solicitations
 - Email notification to all registered vendors
 - Press Release
- In partnership with OBD attend Outreach Meetings to discuss with vendors
 - Bonfire Overview
 - Training for registration/bidding
 - Knowledge Base
 - Phone and on-line support



Next Steps

- Receive committee feedback
- Based on committee feedback begin implementation of Bonfire
- Council consideration and adoption of Electronic Procurement Rules – February 13, 2019

Electronic Procurement Platform

Government Performance & Financial
Management Committee

February 4, 2019

Mike Frosch, Director
Juanita Ortiz, Assistant Director

Office of Procurement Services



City of Dallas



Agenda Information Sheet

File #: 19-187

Item #: 30.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: February 13, 2019

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

A resolution adopting rules governing the receipt of electronic submissions for procurement solicitations pursuant to Chapter 252.0415 of the Texas Local Government Code for the purpose of increasing competition, reducing costs associated with the solicitation process, and streamlining the procurement of goods and services - Financing: This action has no cost consideration to the City

BACKGROUND

In mid-2018, the Office of Procurement Services (OPS) researched and acquired an electronic bid submission software to facilitate the procurement process for both City staff and the vending community. Since that time, OPS, with the assistance of Communication & Information Services, has configured and tested Bonfire Interactive to ensure a smooth transition for staff and potential vendors.

Some key benefits to the system include:

- Eliminate manual processes and forms in order to reduce project timelines
- Increase competition, through notification of solicitations reaching thousands of vendors nationwide
- Streamline the solicitation process through an easy and convenient online portal with full customer support
- Automate bid tabulations and evaluations, eliminating hard copy and reducing potential errors
- Provide a secure and fully cloud-based online portal with bank-grade security, disaster recovery plans, automatic compliance and accessibility features

Chapter 252 of the Texas Local Government Code authorizes municipalities to receive competitive bids and proposals through electronic submission if the City Council adopts rules to ensure the identification, security, and confidentiality of electronic bids and proposals, and to ensure that they remain effectively unopened until the proper time. The proposed rules in Exhibit A will satisfy the state requirement and will be used as a guide by staff to implement any necessary changes to

policies and procedures so that the City can begin accepting electronic submissions beginning March 1, 2019. In addition, OPS has worked with the Office of Business Diversity on a vendor outreach and training plan.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance & Financial Management Committee will be briefed on this item on February 4, 2019.

FISCAL INFORMATION

This action has no cost consideration to the City.

February 13, 2019

WHEREAS, under Chapter 252 of the Texas Local Government Code, the City of Dallas (the "City") is subject to competitive procurement requirements for certain contracts involving the expenditure of municipal funds in excess of \$50,000.000; and

WHEREAS, the City is authorized under Section 252.0415 of the Texas Local Government Code to receive competitive bids and competitive proposals through electronic transmission if the City Council adopts rules to ensure the identification, security, and confidentiality of electronic bids and proposals, and to ensure that they remain effectively unopened until the proper time; and

WHEREAS, the increased use of electronic communications by businesses and government entities necessitates the ability to accept bids or proposals through electronic transmission; and

WHEREAS, the ability to receive bids and proposals via electronic transmission will potentially lead to the submission of more bids or proposals, thereby increasing competition, potentially reducing prices, improving efficiencies and lowering costs associated with the solicitation process for both vendors and the City; and

WHEREAS, the City Council desires to adopt rules for receipt of electronic bids and proposals so that the City can take advantage of the benefits anticipated by such action.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That in order for the City to receive bids and proposals submitted pursuant to Chapter 252 of the Texas Local Government Code through electronic transmission, the City Council hereby adopts the rules attached hereto in Exhibit A (the "Rules") to ensure the identification, security, and confidentiality of such bids and proposals and to ensure that such bids and proposals remain effectively unopened until the proper time, as required by Section 252.0415 of the Texas Local Government Code.

SECTION 2. That the City Manager is hereby authorized to accept electronic submissions for future procurement solicitations, so long as all processes and procedures comply with the Rules.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly resolved.

Exhibit A

RULES GOVERNING THE RECEIPT OF ELECTRONIC SUBMISSION OF BIDS AND PROPOSALS

I. POLICY STATEMENT FOR ELECTRONIC BIDS OR PROPOSALS

These rules are established by the City of Dallas (the "City") for electronic solicitation procedures in accordance with Section 252.0415, Texas Local Government Code, to ensure the identification, security and confidentiality of electronic bids or proposals, and to ensure that bids or proposals remain effectively unopened until the proper time (the "Rules"). The Rules will apply to both bids and proposals that are submitted to the City pursuant to the requirements of Chapter 252, Texas Local Government Code, as well as those contracts and procurements for which the City has voluntarily elected to follow the competitive processes outlined in Chapter 252, Texas Local Government Code.

- A. All users of the electronic system, shall be assigned a unique user name and password.
- B. Access to the system by authorized users shall be logged and tracked in order to record when any user has accessed the system, and what data the user accessed.
- C. Transmittal of data through the internet shall be encrypted using SSL technology. All sensitive data within the system shall be encrypted using the Advanced Encryption Standard algorithm (AES), or better.
- D. All data shall be encrypted using a time-sensitive mechanism that allows the data to be decrypted only after the Bid Opening specified for each solicitation.
- E. The system shall be synchronized to two or more atomic clocks to ensure exact recording of the bid due date and time, and the receipt of data and time, for each submission.
- F. Neither vendor identities nor the contents of submissions are available during the bidding process.
- G. The City's Purchasing Agent, or his/her designee(s), with an authorized password, and only after the Bid Opening date and time, can request that the bid/proposal be opened and obtain the data in the bid/proposal.
- H. The City will determine when and what information is released to the public pursuant to Texas Law.
- I. The City's Purchasing Agent, is responsible for ensuring that any system utilized by the City for electronic submissions of bids and proposals must comply with all rules set forth, City procurement rules, and State law.

Memorandum



CITY OF DALLAS

DATE February 1, 2019

Honorable Members of the Government Performance & Financial Management
Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,
TO Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Federal Legislative Program for the 116th Congress**

Attached, please find the proposed Federal Legislative Program for the 116th Congress. Many of the legislative items included in this proposed program are similar to the items included in the City Council adopted Federal Legislative Program for the 115th Congress. This item is not being briefed to the Legislative Ad Hoc Committee and is scheduled to be taken directly to the City Council for consideration on February 27, 2019.

If you have any comments, concerns, or suggestions please reach out to Brett Wilkinson, Managing Director, Office of Strategic Partnerships and Government Affairs at (214) 670-5797 or brett.wilkinson@dallascityhall.com.

A handwritten signature in black ink that reads "Kimberly B. Tolbert".

Kimberly B. Tolbert
Chief of Staff to the City Manager

[Attachment]

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol A. Smith, City Auditor (Interim)
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
M. Elizabeth Reich, Chief Financial Officer
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors



PROPOSED CITY OF DALLAS LEGISLATIVE PROGRAM FOR THE 116TH CONGRESS



City of Dallas

Table of Contents

City of Dallas Mayor & City Council	IV
City Council District Map	V
Dallas City Council Resolution Adopting Federal Legislative Program.....	VI
General Statements of City's Legislative Focus	1
Specific Legislative Policies	
Infrastructure	2
Surface Transportation	
DART Core Capacity	
High-Speed & Intercity Passenger Rail	
Water & Wastewater	
Trinity River Corridor & Flood Control	
National Flood Insurance Program	
Aviation	
Municipal Bonds.....	5
Telecommunications	6
Franchising, Rights-of-Way & Zoning	
Internet Tax Freedom Act	
Public Safety & Criminal Justice.....	7
Core Grant Programs	
D Block	
Prisoner Re-Entry	
Urban Areas Service Initiative Grants	
Economic Development	8
Brownfields	
New Markets Tax Credit/Community Development Financial Institutions	
Grow South	
EB-5 Program	
Social Security	10
Housing, Community Development, and Healthcare.....	11
CDBG, HOME, HOPWA & Homeless Assistance	
Affordable Housing	

Social Services Block Grant
Community Services Block Grant
Health Care

Clean Air & Health Environment----- 13

Education, After School Care & Child Nutrition ----- 14

Travel, Tourism, Arts & Culture----- 15

2020 Census and American Community Survey ----- 16

Social Equity, Immigration & Welcoming Communities----- 17

City of Dallas Legislative Team ----- 18

DRAFT

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Dallas, TX 75201

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Dallas, TX 75201

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Mayor
214-670-4054

City Hall, Room 5DN
Dallas, TX 75201

Casey Thomas, II
Mayor Pro Tem
Council District 3
214-670-0777

Adam Medrano
Deputy Mayor Pro Tem
Council District 2
214-670-4048

City Hall, Room 5FN
Dallas, TX 75201

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Council District 11
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Scott Griggs
Council District 1
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Carolyn King Arnold
Council District 4
214-670-0781

Rickey D. Callahan
Council District 5
214-670-4052

Omar Narvaez
Council District 6
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Kevin Felder
Council District 7
214-670-4689

Tennell Atkins
Council District 8
214-670-4066

Mark Clayton
Council District 9
214-670-4069

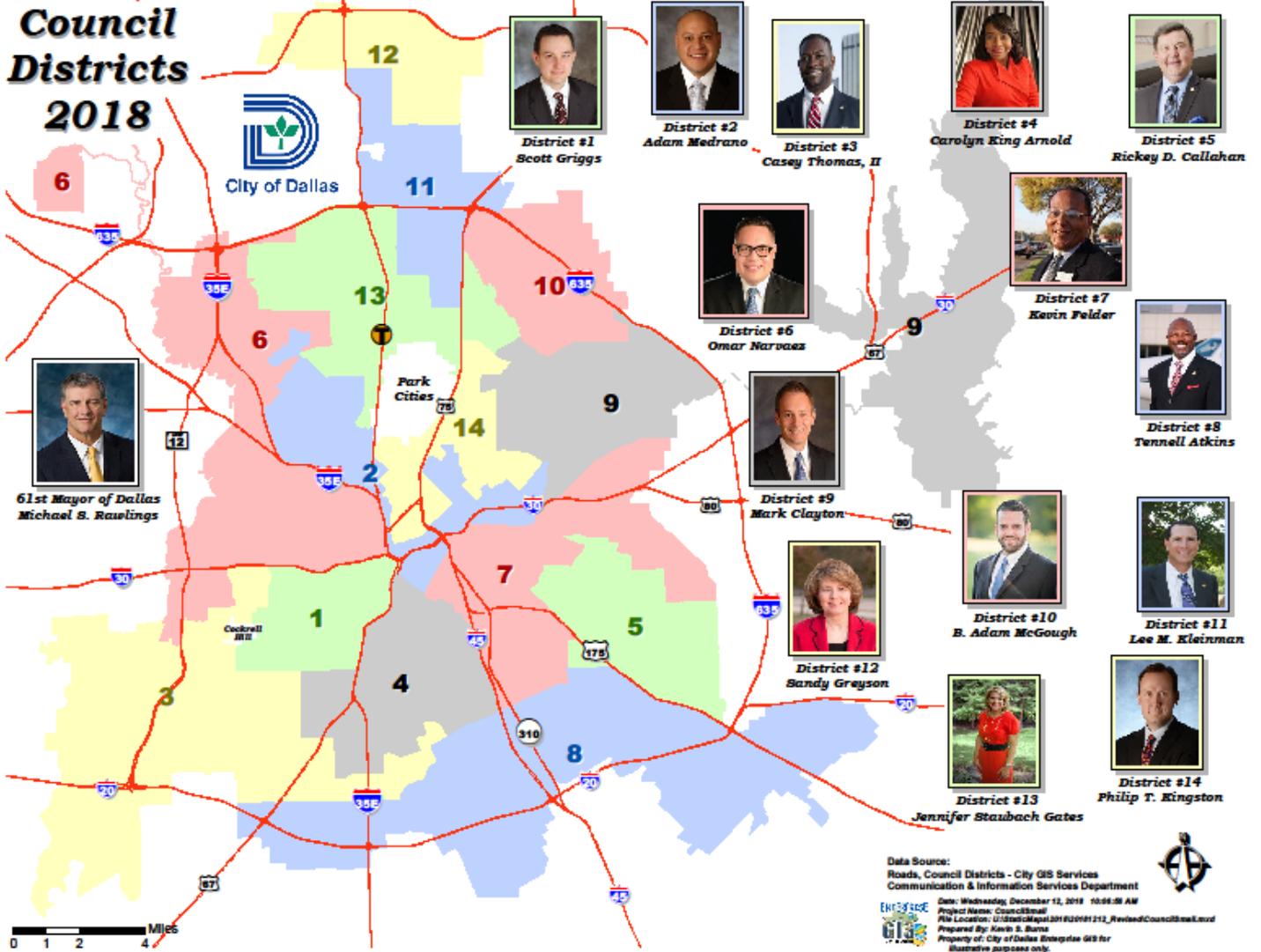
B. Adam McGough
Council District 10
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Sandy Greyson
Council District 12
214-670-4067

Jennifer S. Gates
Council District 13
214-670-3816

Philip T. Kingston
Council District 14
214-670-5415

Mayor and City Council 2017-2019



[Insert City Council Resolution]

DRAFT

GENERAL STATEMENTS OF CITY'S LEGISLATIVE FOCUS

The City of Dallas' legislative efforts focus on legislation that the City can influence and that will directly and positively impact the City of Dallas. The City appreciates its long-standing relationship with the congressional delegation to advance its federal priorities.

The City of Dallas supports legislation that:

- Creates more opportunities for individuals and businesses to thrive and prosper;
- Provides an equitable distribution of federal funds; and
- Addresses the concerns and issues confronting large metropolitan center cities, which range from the enhancement of urban transportation to reduction in crime to the availability of affordable housing and the development of neighborhoods that support quality family life.



The City of Dallas opposes any federal legislative action that would erode the home rule authority of municipalities or establish unfunded mandates that effectively constrain the ability of cities to allocate scarce resources to locally determined priorities.

Federal Mandates

The City of Dallas recognizes two basic types of federal mandates: those that impose costs directly on the City and those that, while not directly imposing costs on the City, intrude on the autonomy of the City by interfering with local decision-making authority and impacting the allocation of scarce local resources.

The City of Dallas opposes the imposition of either type of federal mandate.

The federal government calls on municipal governments, including the City of Dallas, to administer many federal government programs, requiring municipal governments to absorb all or most of the cost. In the interest of fairness and equity to its municipal government partners, the federal government should provide adequate funding for the local conduct of each of its programs.

Deficit Reduction

The City of Dallas supports a balanced approach to reducing the federal deficit. Elimination of the federal deficit solely through non-defense discretionary spending cuts is impossible and ill-advised.

The reduction of the federal deficit should not disproportionately harm national defense and our troops, safety net programs or our nation's cities. In particular, the City opposes deficit reduction efforts that disproportionately focus on core local government programs or reduce or delay much-needed investments in our nation's infrastructure.

INFRASTRUCTURE

Surface Transportation

The City of Dallas supports legislation to reauthorize federal surface transportation programs that:

- Provide for an equitable distribution of highway and transit funds;
- Maintain a guaranteed funding mechanism that ensures that all Highway Trust Fund revenues are spent on surface transportation programs;
- Maintain a strong metropolitan planning process that maximizes the decision-making power of local elected officials and communities;
- Continue and build on the federal investment of the past decade in transit and enables complete local flexibility regarding mode choices;
- Directly provide funds to cities for mode neutral, innovative urban transportation solutions;
- Directly address urban congestion and mobility, including incentives for metropolitan areas and cities that raise revenue and implement innovative financing mechanisms;
- Increase sub-allocation to metropolitan areas;
- Expand mode neutral choices and funding for cities and metropolitan areas;
- Expand sub-allocation via creation of a new program focused on cities and metropolitan areas or through increased sub-allocation of existing programs;
- Robustly fund the Transportation Alternatives Program;
- Fully fund the CMAQ program in order to help metropolitan areas meet federal clean air mandates, and
- Do not increase the required local share of funding for federally-assisted highway or transit projects.

Dallas Area Rapid Transit (DART) Core Capacity

The City of Dallas fully supports DART's Capital Investment Grant projects:

- Platform Extensions along the Red and Blue Lines (Core Capacity),
- Phase 1 of the Downtown Dallas 2nd light rail alignment (Core Capacity) and
- The Central Dallas Streetcar Link (Small Starts).

High-Speed & Intercity Passenger Rail

The City of Dallas supports the development of high-speed rail between Houston and the North Texas Region. The City's long-term plans envision development of a new intermodal hub near the high-speed rail station providing travelers with a seamless connection between intercity passenger rail (including high-speed rail), commuter rail, light rail and local surface transit (streetcar and bus). A strong federal-state-regional-local partnership will be needed to make this vision a reality. The City of Dallas also supports the development of a robust national passenger rail system and strongly supports full funding of passenger rail corridor improvement programs.

Water, Wastewater & Flood Control

The City of Dallas supports legislation that provides grants and financing assistance for high priority projects such as combined and separate sanitary sewer overflows and other wet weather projects, security-related projects, repair and replacement of aging infrastructure and water supply acquisition. Increased funding to local water and wastewater utilities for the improvement and maintenance of water and wastewater infrastructure and additional water supplies is of paramount importance. The City of Dallas also supports legislation which sustains and increases funding for, and increases the flexibility of, the Clean Water State Revolving Fund (CWSRF) the Drinking Water State Revolving Fund (DWSRF) and the Water Infrastructure Finance and Innovation Authority (WIFIA) programs, as well as federal funding for dam safety and reservoir modifications that will reduce the potential for structural failure.

The City of Dallas greatly appreciates the Dallas delegation's support of the critical Trinity River flood control projects and the strong federal partnership that the City has developed with the Army Corps of Engineers. The City appreciates the funding the congressional delegation work to obtain critical federal funding for the Dallas Floodway, the Dallas Floodway Extension, and the Lewisville Dam. Looking ahead, the City desires to continue this strong intergovernmental relationship, including preserving this critical federal funding for these flood control projects.

The City understands the level of effort expended towards clarifying authority and supports efforts to address changing environmental conditions, specifically through Executive Order 13690's revisions to the Federal Flood Risk Management Standards (FFRMS) set by the Federal Emergency Management Agency (FEMA). However, the City does not support a one-size-fits all approach. All watersheds behave differently, reflecting different climates, base geology, cover and topography.

The City of Dallas supports legislation that results in clear, consistent, predictable and economic Federal regulation and permitting. Federal statutory requirements; agency regulations and guidance; and permitting practices involving water supply and uses; water quality; and flood control should be clear and consistent. All requirements, regulations and permit practices should be practical, predictable, science-based, economic and should balance the financial impact of specific requirements with benefits to the public and environment. Additionally, public participation in the development of regulations helps to inform decision makers about critical tradeoffs, and produces increased levels of regulatory and project-related certainty.

National Flood Insurance Program

In general, the City of Dallas supports a long-term and fiscally responsible reauthorization of the NFIP that:

- Provides long-term financial solvency for the program;
- Ensures that flood insurance rate increases do not impose undue hardship on Dallas property owners or stymie central Dallas economic development plans;
- Includes a rate and premium structure that differentiates between flood plains that are protected by certified levees and those that are not;
- Provides remapped areas, newly designated as flood hazard areas, with a grace period before the purchase of flood insurance is mandatory, provided that local officials educate affected property owners about flood risk and flood insurance availability, and develop an evacuation plan for neighborhoods affected by flood hazard remapping; and

- Provides an exemption to the mandatory purchase of flood insurance in areas deemed flood hazard areas due to recently decertified levees, provided that local officials are implementing an approved plan to repair newly decertified levees, educating affected property owners about flood risk and flood insurance availability, and developing an evacuation plan for neighborhoods affected by flood hazard remapping.

Aviation

The City of Dallas supports a federal aviation program that:

- Maintains a guaranteed funding mechanism that ensures that all Airports and Airways Trust Fund revenues are spent on aviation programs;
- Maximizes the flexibility of the Airport Improvement Program (AIP);
- Maximizes the flexibility of how airports use Passenger Facility Charge (PFC) revenue, and
- Provides local governments and airport authorities with the resources they need to provide for a safe and efficient aviation system.

DRAFT

MUNICIPAL BONDS

The City of Dallas strongly opposes any efforts to cap or eliminate the tax exemption for municipal bonds, including “private activity” bonds. The elimination or capping of tax-exempt municipal bonds would increase City borrowing costs, resulting in delayed infrastructure investment or higher local taxes and utility rates, which would disproportionately impact low- and moderate-income households.

The City urges Congress to reinstate the advanced refunding of tax-exempt municipal bonds. The ill-advised repeal of advanced refunding by the Tax Cut & Jobs Act of 2017 means that the City cannot take advantage of lower interest rates to reduce borrowing costs and maximize infrastructure investment. The City also urges Congress to protect Build America Bonds from annual Budget Act sequestration. The reduction of Build America Bond payments is a breach of contract between the federal government, the City, and bondholders.

State and local governments are responsible for building and maintaining 75 percent of the nation's infrastructure, which is mostly financed through tax-exempt bonds. The tax exemption for municipal bonds represents an ideal federal-state-local partnership, allowing the federal government to assist infrastructure investment in a manner that maximizes local decision making.

In Dallas, municipal bonds finance core infrastructure that is the basis of civilized society and the foundation of our economy: water and wastewater, storm drainage, streets and sidewalks, hospitals, schools and other capital projects. In an era of diminishing grants and expanding mandates on local governments, eliminating or capping the tax exemption for municipal bonds would effectively signal a federal abandonment of infrastructure investment.

Per Texas law, all City of Dallas general obligation bonds are subject to voter referendum. The City's process is an example of open government and broad citizen participation, ensuring that bond dollars are targeted to broadly supported infrastructure priorities.

TELECOMMUNICATIONS

Franchising, Rights-of-Way & Zoning

The City of Dallas opposes any legislation or regulatory effort that would erode City authority to manage public rights-of-way and collect reasonable compensation for their use. The City also opposes any federal preemption of City zoning authority.

The City is especially concerned about recent Federal Communications Commission (FCC) actions (the 'Small Cell', the 'Moratoria Order', and the 'Cable Franchise Proposed Order') that can only be described as a broad and unprecedented federal government assault on local government authority and local government budgets. The 'Small Cell Order' is especially egregious in that it seeks to preempt the City's authority to manage City property and to collect fair market value for its use. If allowed to stand, the 'Small Cell Order' would establish a troubling precedent of allowing the federal government to dictate the terms of access to non-federal property.

Franchising is the backbone of local government telecommunications policy. It creates a framework for local management of public rights-of-way, collection of compensation for the use and management of public rights-of-way and resolution of consumer complaints. Federal law specifically preserves the authority of state and local governments to manage public rights-of-way and to collect compensation for their use by telecommunications providers.

A major goal of the telecommunications industry remains federal preemption of local control over public rights-of-way and the preemption of local fees collected from the industry for the use and management of public rights-of-way. In addition, industry has also sought legislation and regulation that would preempt local zoning authority over the location of telecommunications antennae and towers.

The City of Dallas would have to reduce services or raise taxes by more than \$100 million a year if revenue from rent charged to private corporations for the use of public rights-of-way was eliminated. In addition, City control of public rights-of-way and zoning for the placement of telecommunications facilities provides important public safety benefits, preserves City infrastructure investments and ensures that property values will not be impacted by incompatible uses.

PUBLIC SAFETY & CRIMINAL JUSTICE

Core Grant Programs

The City of Dallas calls on Congress to fully fund public safety assistance programs that directly benefit local governments, including the Justice Assistance Grant (JAG), Community Oriented Policing Services (COPS), the Assistance to Firefighters Grant Program and others. In 2016, public safety assistance programs have provided more than \$1 million to the City.

The City strongly opposes proposals that would consolidate state and local Homeland Security grant programs into a single block grant to the State, or otherwise shift funds away from high-risk, major metropolitan areas. In addition, formulas for the distribution of funding for public safety should emphasize crime data, and homeland security funds should be more targeted based on risk and threat.

Public Safety Broadband Network (FirstNet)

The City of Dallas supports the development of national public safety communication networks and encourages FirstNet to include local input in the structure and framework development process. Large metropolitan cities have already made extensive investments in towers, fiber optic lines and other infrastructure that will be valuable to the deployment of the PSBN.

Prisoner Re-Entry

The City of Dallas supports full funding of Second Chance Act programs and legislation that would provide additional resources for education, training, and work experience during incarceration and after they are released. Programs authorized by the Second Chance Act provide valuable assistance to state and local governments for a wide array of programs to help ex-offenders reintegrate.

Urban Areas Security Initiative Grants

Dallas and its regional partners also benefit from the Urban Area Security Initiative (UASI). UASI provides targeted assistance to major metropolitan areas and has helped ensure that the Metroplex is prepared to respond to a terrorist attack or other catastrophic incident. These programs have promoted regional cooperation and greatly improved readiness.

ECONOMIC DEVELOPMENT

Brownfields

The City of Dallas supports full funding of federal brownfields grant programs and continuation of the Brownfields Tax Incentive.

The Brownfields Program and the Brownfields Tax Incentive put property in the City of Dallas on a more level playing field with raw undeveloped properties, encouraging economic development and neighborhood revitalization. The City of Dallas enjoys a strong national reputation for its innovative projects that have redeveloped several formerly abandoned sites. Dallas has used these programs to redevelop several sites and has been designated by the EPA as one of its Brownfield Showcase Communities in recognition of the City's success in redeveloping Brownfields.

The City urges Congress to fully fund and otherwise require the Department of Navy to address the contamination of Hensley Field caused by the Navy's lease of the property for use as the former Naval Air Station Dallas. The Navy agreed to clean up Hensley Field to unrestricted, residential standards by 2017 in a 2002 Settlement Agreement with the City, but has delayed complying with the settlement agreement. The City further urges the Navy and other federal departments to identify appropriate funding to facilitate rapid redevelopment of the 740-acre Hensley Field consistent with its designation as a federal "opportunity zone" for reinvestment. Through the Navy prioritizing the cleanup and facilitating the redevelopment process, the Navy can remove itself as the primary barrier to redevelopment or other productive reuse of Hensley Field.

New Markets Tax Credit/Community Development Financial Institutions

The City of Dallas supports a permanent renewal of the NMTC program that expires on December 31, 2019 and full funding of other CDFI programs.

The New Markets Tax Credit (NMTC) and other programs administered by the Community Development Financial Institutions (CDFI) Fund at the Department of Treasury provide important incentives for private investment in historically disadvantaged and economically impacted localities. Since its 2009 award, the Dallas Development Fund (DDF) has provided a total of \$157 million in tax credit allocation to 16 projects aimed at improving low income communities. Total project cost of these 16 projects is greater than \$255 million. Projects include the Hatcher Station Parkland Clinic, Pioneer Foods manufacturing facility, Buckner Family Hope Center and the Girl Scouts STEM Center of Excellence. These projects have added high paying jobs or neighborhood services to their communities and have aided in the revitalization of their neighborhoods.

GrowSouth

GrowSouth is a comprehensive strategy to build a foundation for sustainable growth and outlines five key projects to jumpstart growth in key areas over the next three years. GrowSouth aims to strengthen and engage neighborhoods, develop a "culture of clean", debunk the myths and rebrand South Dallas, and create a financial and investment fund to promote opportunities in South Dallas. The City of Dallas supports

legislation that allows the City, stakeholders, and investors to take full advantage of the opportunities through GrowSouth.

Community Reinvestment Act

The City recognizes that Community Reinvestment Act (CRA) regulations may be overdue for an update. The banking industry has experienced major changes, notably with the advancement of technology, since federal banking regulators updated them.

However, the City urges that any updates to CRA regulations are undertaken with the primary goal of meeting CRA's underlying statutory goals of strengthening investment in historically underserved neighborhoods rather than simply making it easier for banks to receive a positive CRA rating under the guise of reducing the burden of CRA compliance for banks. While the goal of reducing CRA's regulatory burden on banks may have some merit, it does not override the importance of CRA's core goal of ensuring that banks meet the financial services needs of all communities.

The City filed comments on the Office of the Comptroller of the Currency (OCC) Advanced Notice of Proposed Rulemaking regarding an update of CRA regulations and will continue to track this issue closely.

EB-5 Program

The Employment Based Immigrant Investor Visa and Regional Center Programs (EB-5) are the nation's fastest growing federal programs to attract foreign investment into local development projects. Through the program, the City of Dallas Regional Center (CDRC) is able to identify investment opportunities, spur local economic development and attract investors for targeted development projects. The City of Dallas urges Congress and the Administration to reauthorize EB-5 on a long-term basis and establish rules for Targeted Employment Areas that drive EB-5 capital to areas that truly have high-unemployment.

SOCIAL SECURITY

The City of Dallas requests that the federal government work closely with local jurisdictions on the fiscal impacts of mandatory inclusion of local government employees in Social Security, especially as it relates to the potential impacts on local pension systems and budgets.

The Social Security Act of 1935 excludes state and local employees from mandatory participation in Social Security. The Federal Advisory Commission on Social Security has called for including all newly hired local government employees in Social Security. Doing so could have major implications on state and local governments and their taxpayers.

DRAFT

HOUSING, COMMUNITY DEVELOPMENT, AND HEALTHCARE

CDBG, HOME, HOPWA & Homeless Assistance

The City of Dallas calls on Congress and the Administration to fully fund CDBG, HOME, HOPWA and Homeless Assistance Grants. The City opposes any effort to limit the City's flexibility in using these funds. The City also strongly opposes any effort to shift control of these programs away from the local level or decrease the cap on administrative and planning costs.

In FY 2018, the City of Dallas received \$14.8 million from CDBG, \$5.8 million from HOME, \$6.6 million from HOPWA and \$1.2 million in Emergency Solutions Grants. Despite immense positive impact that these flexible, locally controlled programs have had on the nation's cities, they have been inadequately funded for many years. CDBG and HOME have an especially long and successful track record of providing quick, flexible and effective assistance to cities and states. In Dallas, they bolster City efforts to stabilize and sustain neighborhoods, preserve and expand the supply of affordable housing, expand economic opportunities, meet critical social needs and fund other critical needs in low- and moderate-income neighborhoods. The City of Dallas would be hard-pressed to meet these needs without direct and flexible federal assistance.

Affordable Housing

The City of Dallas supports the preservation and expansion of federal programs and tax incentives that support City efforts to expand and preserve affordable housing. The City specifically supports full funding of the Affordable Housing Trust Fund and preservation of the Low-Income Housing Tax Credit.

Affordable housing remains a critical issue for the nation's cities. The City of Dallas has developed a robust plan to address the City's housing needs. The focus of the plan is to maximize City resources by alleviating poverty, empowering neighborhoods, addressing concentrations of blight, and enhancing rental options. The City is also aiming to attract and retain the middle class by pursuing initiatives that will expand homeownership. A key component of the City's plan is to increase the supply of affordable and workforce housing and revitalize neighborhoods in a manner that creates truly mixed-income neighborhoods and avoids the displacement of longtime neighborhood residents.

Social Services Block Grant & Community Services Block Grant

The Social Services Block Grant (SSBG) is a flexible source of funds that states use to support a wide variety of social services activities. SSBG is an important main source of federal funds for protective services, which benefit elderly and disabled adults, and child protective services.

The Community Services Block Grant (CSBG) funds the delivery of services to low income Texas residents in all 254 counties. These funds support a variety of direct services to residents whom are among the most vulnerable in the community.

While the City of Dallas does not directly oversee the SSBG and CSBG, the funds they provide are important to the community and work to protect the City's most vulnerable populations. Any decrease in SSBG and CSBG funds will only place additional stress onto the City's taxpayers, and defenseless residents.

Healthcare

The City of Dallas urges Congress to take into consideration the effect that national health care legislation has on the nation's cities; to build upon, not tear down, the progress that has been made in recent years to the healthcare system; and to ensure that none of the 20 million newly covered individuals are left without health care coverage. In addition, the City encourages the new Administration and Congress to include mental health in any comprehensive health care reform measures.

Municipalities share a responsibility for the health and well-being of communities, which includes ensuring access to comprehensive and affordable health care. The City of Dallas has one of the highest rates of uninsured residents in the nation and seeks solutions that will provide its residents with easy access to health insurance. The City opposes health care programs that deny desperately needed access to care to individuals and families; place an undue burden on local hospitals; and do not provide safeguards for patients currently suffering from chronic and terminal illnesses.

DRAFT

CLEAN AIR & HEALTHY ENVIRONMENT

The City of Dallas looks forward to working with our partners in the Dallas-Fort Worth Metropolitan Area to meet air quality goals outlined by the Clean Air Act and water quality goals outlined by the Clean Water Act. Our nation faces the challenges of ensuring protection of public health, air, and water supply while continuing to encourage economic growth and energy independence. Although the challenges created by pollution and energy security are international and national in scope, local governments are well placed to implement policies and pursue innovations to meet those challenges, especially if they are given the resources and authority to do so.

The City of Dallas, and the Dallas-Fort Worth Metropolitan Area, have invested hundreds of millions of dollars into the regional transit system, converted municipal fleets to alternative fuels, and made public buildings more energy efficient. In addition, the City of Dallas supports the development of high-speed rail between Houston and the North Texas Region and other large transit-related infrastructure projects that provide a positive impact on our quality and might mitigate the impact of mobile source emissions on public health. The City of Dallas has been a national leader in this area, implementing a number of nationally-recognized and replicated sustainability programs that have decreased the City's operating and energy costs along with its environmental impact.

Direct Federal assistance is crucial to local governments that are well suited to meeting the challenge of protecting the environment. Local governments benefit from direct federal assistance that can be used to promote energy efficiency and conservation, alternative fuel, public education initiatives, emissions reductions, and other programs to reduce ozone and other air pollutants.

The City urges Congress and the Administration to empower the U.S. Environmental Protection Agency, Department of Transportation, and the Department of Energy, as well as the Texas Commission on Environmental Quality, so they may protect air quality at a broader, regional level. The City also urges EPA to explore national, carbon-free energy solutions that would result in economic growth and enhanced protection of public health and the environment.

The City of Dallas encourages Congress and the Administration to pursue imaginative solutions using reliable, peer-reviewed sources of scientific information in the effort to address clean air, climate change, and energy security. In particular, the City urges Congress act swiftly and meaningfully on climate change in a manner that does not economically burden the City or Dallas residents. Such action could include, but not be limited to, a carbon fee and dividend that benefits working families, significantly reduces emissions, and employs a carbon-content based border adjustment to protect the competitiveness of American businesses. The City further urges Congress to fully fund any mandates it imposes on local governments to meet these challenges.

The City also reiterates its disappointment that the Energy Efficiency and Conservation Block Grant (EECBG) was only funded once and calls on Congress to fully fund this innovative and forward looking federal-local partnership. Additionally, the City requests that Congress robustly fund the Transportation Alternatives Program, and fully fund the CMAQ program in order to help metropolitan areas meet federal clean air mandates.

Finally, the City of Dallas is taking actions necessary to join and participate in the C40 Cities group, which is an international effort to address climate change and deliver the most ambitious goals of the Paris Agreement at the local level, in addition to cleaning the air that we breathe. The City is committed to becoming an international leader in addressing environmental and climate issues.

DRAFT

EDUCATION, AFTER SCHOOL CARE, CHILD NUTRITION & EARLY CHILDHOOD EDUCATION

The City of Dallas urges Congress and the Administration to provide schools with the resources (including technology) they need and to reauthorize, expand and fully fund early childhood, extended learning time, child nutrition programs and to maximize resources and flexibility for out-of-school time and other education programs.

A strong public education system is crucial to the economic health and future of the City of Dallas and requires a strong federal investment in schools and children. Out-of-school time and child nutrition programs are a vital component of a strong educational system and play an important role in preventing youth crime and delinquency.

DRAFT

TRAVEL, TOURISM, ARTS & CULTURE

The City of Dallas is a major global city that attracts millions of visitors each year. Dallas Fort Worth International Airport warmly welcomes over 69 million passengers a year, elevating DFW to a status as one of the most frequently visited super hub airports in the world. Customers can choose from among 182 domestic and 62 international nonstop destinations. In 2019, DFW Airport was selected by Air Transport World as the Global Airport of the Year. The Dallas-Fort Worth Metropolitan Area is home to 22 Fortune 500 companies, hosts hundreds of major conventions each year and draws tourists from around the world for its world-class cultural offerings.

As the business and cultural hub of the nation's top exporting state and with plans for a major intermodal transportation hub to handle international freight traffic, the Dallas economy relies more than ever on international business and vacation visitors.

In addition, the arts have played a central role in the renaissance of downtown Dallas and are a cornerstone of the downtown Dallas economy. The federal government plays a small but important role in fostering and promoting the arts. The City supports the missions and the adequate funding of the National Endowment for the Arts, the National Endowment for the Humanities and the Institute of Museum and Library Services.

The City of Dallas further encourages federal policies, including tax policies, which foster the arts and recognize the important role they play in tourism and central city economies. The City also calls for federal policy that recognizes the role that art education plays in fostering artists and audiences.

2020 CENSUS AND AMERICAN COMMUNITY SURVEY

The City of Dallas supports funding for, and continuance of, the decennial Census, particularly the upcoming 2020 Census, the American Community Survey, Economic Census, Census of Governments, Annual Population Estimates, and other relevant surveys and statistics that would benefit municipalities.

The City of Dallas is vitally concerned that the U.S. Census Bureau is able to maintain production of quality data products. Several City programs and services, including planning and urban design, economic development, and the general allocation of municipal resources, rely heavily on data provided by the U.S. Census Bureau. Furthermore, the statistics produced by the Census are pivotal to the allocation of federal and state grants. Finally, the City of Dallas opposes the Administration's plan to add a citizenship question to the 2020 Census.

DRAFT

SOCIAL EQUITY, IMMIGRATION & WELCOMING COMMUNITIES

The City complies with all federal and state immigration laws.

The City of Dallas urges common sense, comprehensive immigration reform, including a legalization component, smart solutions to homeland security and pathway to citizenship for DREAMers & TPS holders.

The City of Dallas implements strategies to advance equity and increase economic mobility for vulnerable and marginalized residents. Dallas is a participating city in the Rockefeller Foundations' 100 Resilient Cities program, which is dedicated to helping citizens become resilient to the economic, social, and environmental challenge that are a part of the 21st century.

The City of Dallas strives to be a welcoming city for all. In 2017, the City established the Office of Welcoming Communities and Immigrant Affairs to bridge the space between newcomers and existing Dallas residents., to find common ground, foster informed understanding and promote shared leadership.

The city's population continues to grow with almost 25 percent of residents being foreign born. Immigrants make up almost 32 percent of the employed labor force of the Dallas-metro area and they play a critical role in several key industries including accounting for almost 70 percent of construction workers.

Their work contributes directly to the economic strength of the city, earning \$7.9 billion and contributing \$591.1 million to state and local taxes in 2016.

The City of Dallas is proud of its diversity and is committed to ensuring that residents are protected regardless of race, religion, gender, or sexual orientation. The City is recognized by the Human Rights Campaign for its leadership in non-discrimination protections in employment, housing, and public accommodations.

The City of Dallas supports federal legislative initiatives that promote diversity, and ensure equity and human rights for all people in this country.

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Memorandum



CITY OF DALLAS

DATE February 1, 2019

Honorable Members of the Government Performance & Financial Management
Committee: Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson,
TO Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Service Contract for Medical Examinations, and Drug and Alcohol Testing**

The February 13, 2019 Council Agenda will include an item to award a five-year service contract for medical examinations and drug and alcohol testing services for police, fire, and civilian employees. This contract includes:

- Medical examination and drug/alcohol testing for applicable candidates based on job duties;
- Department of Transportation (DOT) certification for employees required to have a Commercial Driver's License (CDL);
- Driver recertification – Fire, Police, and CDL drivers;
- Random drug testing – CDL and primary drivers;
- Post-accident drug testing;
- Return-to-duty examination – performed as a result of a failed DOT recertification
- Audiometric testing (Hearing);
- Lead, silica, and chemical test that are required by the Occupational Safety and Health Administration (OSHA) under the Department of Labor;
- Functional capacity evaluation;
- Hazardous material physicals; and
- Hepatitis and tuberculosis testing.

Over 9,000 individuals will be tested annually. Of those, approximately 1,600 are tested pursuant to Department of Transportation (DOT) requirements for drivers holding a CDL. Another 3,100 individuals are tested during driver safety physical examinations. The recommended vendor will provide the testing and results, manage randomly selected employee testing, and assist in obtaining new hire testing for out-of-state applicants.

Date January 30, 2019
Subject Service Contract for Medical Examinations, Drug and Alcohol Testing

The scope of testing has changed since the City last contracted for these services; additional types of testing have been added to support enhanced life-saving OSHA-based tests for employees in high-hazard positions.

Please let me know if you need additional information.


M. Elizabeth Reich
Chief Financial Officer

Attachment

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol Smith, City Auditor (Interim)
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager & Chief of Resilience
Laila Alequresh, Chief Innovation Officer
Directors and Assistant Directors