

Audit and Finance Committee Meeting Transcript – 08/14/2019

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[9:37:08 AM]

>> Alter: Good morning. My name is Alison alter and I'm chair of the audit and finance committee. It is 9:37 and we have a quorum with councilmembers pool and tovo present. Councilmember Flannigan and mayor Adler absent. First item of business is to approve the minutes of the audit and finance committee meeting of June 25th, 2019. Councilmember pool moves to approve. Councilmember tovo, do you second that? Okay. I have just one real quick question for Ms. Stokes. For item 10, is that supposed to be item was posted without objection or postponed without objection? On page 2 it says posted. >> Probably should say postponed. >> Alter: Could we add it to your motion? >> You sure can. >> Alter: All those in

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favor? It's unanimous on the dais. It does not look like we have anyone signed up for citizen communication. Is that correct? Okay. All right. Our first audit this morning is the audit of the city of Austin's wildfire preparedness. >> This audit was led by Patrick Johnson as the manager and Tyler Meyers as lead and Tyler will be giving our presentation this morning. >> Good morning. My name is Tyler Meyers and I was the auditor in charge for this audit. Our objective was to determine if the city of Austin is both effectively working to prevent wildfires. Wildfires involves many departments. The wildfire division established after the 2011 labor day fires. This audit focused on the

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Austin fire department, Austin water and the Austin parks and recreation department. Our audit resulted in two findings. The first finding highlights actions the city has taken to address the impacts of

wildfires through the efforts that align with the three elements of the national framework. These actions include AFD engaging in both brush removal and high-risk areas, Austin water creating and using land management plans that address wildfire risk, and the deployment to wildfires outside the Austin area. Together these actions improve the city's preparedness for the threat of wildfire. The second finding is that while actions have been taken to increase wildfire preparedness, Austin has opportunities to improve proactive efforts to reduce wildfire threats. These include adapting a wildland-urban interface code, defining guidance for the permitting process and drafting land management plans for the city of Austin properties. One way to reduce wildfire

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risk is to require fire resistant building materials for new construction or for significant remodels in areas where humans share a boundary with wildland. This area is called the wildland-urban interface or wui. Estimates show about 64% of Austin falling within the wui. Areas of highest severity are shown as parks and preserve and extreme. The majority of central area of Austin would not be part of the code. Consideration of the wui code involves competing concerns about safety and housing affordability. An official affordability impact assessment using the model version of the code stated that the impact of the code would be significant. AFD worked to address these impacts by engaging the stakeholders and amended sections of the code. An update estimated of the amend version of the wui code showed a lower cost of implementation. Additionally, AFD estimates

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a wui code would cost about \$1.5 million per year to implement in the first year and over \$1 million in following years for staff to review and permit plans. However, some or all of the expense could be off set through permitting fees. AFD presented a draft version of the wui code to public safety commission in may and the commission recommended the code for adoption. Prescribed burning is another tool available to the city and can be used to proactively address wildfire risk. Staff noted that prescribed burning is a cost effective method of reducing brush and provides excellent training opportunities to firefighters. The wildfire division reviews permit applications and they are sent to the fire marshal for final approval. We noted that the prescribed burn permitting process is not well defined and the department could increase data collection efforts on the prescribed burning activities. The city owns and manages a large amount of land within

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the city of Austin after the surrounding area. Land management plans are used to strategically identify needs for the various properties. Austin water has dedicated -- has a dedicated division that created

plans for the properties they manage. But pard reported not having land management plans for several properties. Some of which were in high-risk areas. We issued three recommendations through this audit. Two are directed toward the fire department concerning the wui code and the prescribed burn permitting process. An additional recommendation was issued to pard regarding land management plans. Both AFD and pard have agreed with these recommendations. This concludes our presentation and we're happy to answer any questions you may have. >> Alter: Thank you. Colleagues, do you have some questions? Councilmember tovo. >> Tovo: Just one at the

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moment and I'll probably have more in a second. I guess I'm interested to know, I know we're moving toward having a code. This is really a question probably for our department. It's not clear to me why we -- why we haven't made a little bit more progress on that in a timelier fashion. >> Yeah, and fire department -- >> Tovo: Which is not really a question for the auditor. >> Alter: I'm sorry, we should probably get the department's response before we take questions. Being in the wrong room, I'm a little - >> Good morning. >> Alter: Discombobulated. >> Chief Joel baker, Austin fire. I didn't hear the question. Say it again, please, ma'am. >> Alter: Why don't you do your general response first, please, chief, and then if you didn't address her question in that process, she will ask it again. >> I'm not sure what the question was. >> Alter: She will ask it again after you do your response.

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Normally we do the audit report and then the departments make a response. >> Oh, okay. >> Tovo: Since we moved over here -- >> This is my very first audit review here so I want to thank the audit team as well thank council for all the support for the Austin fire department and the wildland fire division as well. We concur with the audit finding actually. There's always room for improvement for the Austin fire department. We continue to work on improving our response in the wildland fire division area. But I'm also pleased to announce that as I have learned since I've been here with the Austin fire department, that 100% of our operation force has been trained in basic wildland fire protection. Which I think is very commendable and acceptable, should be acceptable to the Tuesday as well as we continue to strive for excellence in our fire division.

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>> Alter: Thank you. Chief, did any of the other departments have any comments that they wanted to make before we move into questions? I think one of the things I think that's important in this audit is that it recognizes that it's not just on the fire department to help us to address our wildfire risks, and this report specifically talks about Austin water and Austin energy and the parks department and

perhaps another one. >> Daryl Slusher, assistant director with Austin water. We also concur with the audit. One of the findings was that we need to get back to prescribed burning and we have done that between when the audit came out and now. I think it was July 31st we had a successful prescribed burn. Worked with the fire department, with AFD as we always do, also fire officials in Buda, Kyle in hays county and the elected officials down there as

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well. >> Alter: Parks. >> The Austin parks integration department. And again, we agree with the audit findings. The department manages more than 18,000 acres, and at this time we do not have the sufficient structure of land management team or land management plans, but the department has been coordinating with the fire department for some -- for limited number of prescribed burns and other practices. It's our intent to move in a more deliberate way, have a land management team established and have plans

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available, created and available for especially the higher-risk areas. >> Alter: Thank you. Councilmember pool. >> Pool: Thanks for talking -- >> Alter: Is Austin energy here? No? Okay. >> Pool: I just wasn't to thank Leona for coming and talking about the work the parks and rec department does as it connects to and our diagram of the various departments that work on this topic and have a shared concern. One -- I just wanted to give everybody an early heads up, in the work that my staff and I did over the last year with -- in advance of this year's fiscal 20 budget, we through discussions with staff and residents and constituents throughout the city we recognize that parks department does not have a preserves land management plan. And I think that was the piece that Ms. Calivoka

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highlighted in her response. So one of the initiatives that I'm bringing for our budget this year is to include a one-time investment of \$100,000 for a preserves land management plan. That would give us the overall guiding document that with assessments for each of the 15 preserves and individualized approaches for each of these unique assets. And then if we can get this piece into play in the jigsaw puzzle that we have across the various departments, we'll have had a guidance document, of course our fire department has that specific targeted expertise, and then the work that our water utility and the balcones canyonland wildlands folks do with ensuring we have a healthy preserve can also all work together in a united front to ensure that our city continues to be protected and safe from random and unexpected wildfires.

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And I've passed out this document on the dais and what I should probably do is pass a copy to the audit and finance clerk so we can put this into the record as well. >> Alter: Thank you, councilmember pool. My office has also been looking at similar need and we would be happy to partner with you on trying to move that forward. For the auditor's office, it seems like that is exactly your recommendation from this audit that we undertake something like that. Is that correct? >> Patrick Johnson, City auditor's office. Yes, that's correct. Especially with the parks department not having resources dedicated to land management. Leveraging off some other resources in the city made sense. We had those discussions and that's part of our recommendation. >> Alter: I'm sorry, I'm not understanding the last part of leveraging off other

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resources -- actually having the parks department have the resources to do the land management. >> I think leveraging off expertise and like Austin water has done land management plans, does have a wildland division. Austin fire department with their wildfire expertise. >> Alter: Great. I wholeheartedly concur the need to leverage the expertise and for these departments to be working together. I think that's part of what some of the direction that we've provided in some recent resolutions, whether it is the climate emergency or the climate resilience that is talking about some of that need for interdepartmental cooperation. This is a good example of that. I want to acknowledge that our college, councilmember Ellis, has joined us for at least this part of the committee if not all, I'm not sure. Welcome. Councilmember Tovo, did you want to ask some questions at this time? >> Tovo: And now I have one for the auditor. Finding number 2 that talks

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about the wildland-urban interface code and the process the department has gone through with it, I'm not entirely following the back and forth in the actual report. And so as I understand, it's taken a while to draft it, the stakeholders were concerned about how that would impact the cost of housing. There have been some changes made. Toward the bottom of page 9, you address the relationship between the wildland-urban interface code and the land development code, and I'm not following that line of discussion probably because I'm reading it here on the dais. Could you help me understand that about the element, the draft code may have removed an element because it's already required and there is also a reference earlier to the fact that some of what stakeholders were -- as I read it, some of what stakeholders are concerned about already exists

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elsewhere in the code and so those concerns it would seem to me were not so much about them being in the interface code, but -- >> And our understanding was when the process started up again, and I believe it was about three years ago. >> Tovo: That's what your report says. >> Department can correct me if I am wrong. I think it started with a national model code for wis. And it had all the elements in it. I think the initial cost estimate was based on that. And then I think that's where the stakeholder process began. And in looking at the model wui code, it was apparent that some of the -- some of the elements in that were already covered in other codes in Austin, like our land development code. So the land development code may have had a requirement that matched what was in the national code. And so I think the department worked to take those out so essentially we weren't having two requirements in two different codes. And so essentially creating a patch work but covering

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the whole, if that makes sense. And so I think the local code then looked at existing elements in other codes, let's leave those in the other codes and then let's have our wui code that's just covering what's missing. >> Tovo: I see. And so the point here I guess is that as the land development code -- >> Right. >> Tovo: -- Was unveiled, it needs to have those other pieces, otherwise they need to get folded back into the wildland-urban. >> I think the concern is just making sure if we took an element out of the wui code because it was in land development, but then we take that or change that significantly in land development, that's not going to be covered. So we want that to be singular. >> Tovo: Thank you. That makes sense. >> Sure. >> Alter: Councilmember Ellis, did you have any questions? He will he will. >> Ellis: Thank you for

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letting me sit in on your committee. This particular topic were of particular note to me. There's things I'm interested in especially having a district that abuts a lot of green space and has had wildfires in the past. Are you -- do you plan to continue working closely with the group that is working on the land development code? I mean you obviously have laid out that you are trying to make sure that all these elements are incorporated along the way and I didn't know how closely you were collaborating or if you were just checking in periodically or are those daily, weekly, how does that work? >> That's really not our role I think to track the land development code. I think what we've recommended is the fire department track the changes going on there to make sure that none of those changes affect the wui code that they are bring forward back to council. >> Ellis: Can you tell me a little more about how -- how your compliance is enforced along the way before or after land

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development code rewrite just to make sure we're checking in on things and noticing if there is anything out of compliance with these plans before anything bad happens? >> I'm sorry, with the wui code or with the land development plans? >> Ellis: I guess land development more generally. >> And I think we would do some follow-up work on our audit recommendations. I think that would be more under the department's purview of whoever is -- whoever is responsible for managing those plans. >> Ellis: Okay. Thanks. >> Alter: So I requested this audit in the first place. I don't have a lot of questions. First I wanted to ask if the auditor could just make sure that it's clear for folks how much of what we're doing is just on public lands versus the private lands and sort of there's parts of our approach that are focused on public lands and then there's parts of what we try

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and do with respect to private lands. So if you could just clarify that for folks, please. >> And I think the audit mostly focused on public lands. So those are the things that the departments can impact. Obviously -- and we didn't look at it extensively. We do have a reference and about Austin resource recovery with brush pickup, and so when folks do clear brush on their own lands, that is something that's done. Another thing that we saw in the wildfire division in AFD, they actually will go and consult with folks about a plan for their land. So where they should clear, what they should clear. How they should help protect the home structure itself and make it less resistant to catching fire. So that's something they do. >> Alter: Part of the reason that I wanted to clarify this is that part of what we do as a city is we are responsible for our

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public lands and we can clear our own lands ourselves, we don't need permission from the landowner because we're the landowner. And then there's things we try to influence private behavior. What I didn't see in this audit was a sense of how much we're doing on our public land. It says we are focused on our public land, public land in high-risk areas, but it doesn't give me any sense of the magnitude of the size of the public land we need to clear, how much brush, how much it would take if we were to actually do all that could be done to remove the brush. So can you speak to that piece of even just if we focus for a minute on our public lands, what is the scale of the problem that we face just on the public lands that we know versus the resources that we have? >> Right. And I think -- so what we did is we looked at the work of the fuels crew, so there is a crew within AFD that goes out and essentially clears brush, creates some

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fire breaks and other mitigation activities. We had that information. What he with didn't have was I think really good criteria on understanding -- I guess the ideal resources that it takes to address the risk for Austin. That's something we discussed with the department, and I don't know if the department wants to address that. And I think the -- the work that's being done currently in the city with their folks. But since what we did, we didn't include the numbers in the report, but we did do that work. >> That's asking a question. We happen to have the expert here, justice Jones, will comb up and address that. >> Alter: Thank you. -- Come up and address that. >> Good morning, councilmembers. Just continues Jones, wildfire mitigation officer

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for the Austin fire department wildfire division. As Patrick mentioned, we have a five-person fuels crew who is on the ground across Austin working on at-risk lands almost every day. What we have done is prioritize the city of Austin lands based on treatable acres and directly adjacent to communities at risk. We have a community wildfire protection plan in place that stays the most effective area to conduct fuels mitigation is within 150 feet of structures. We've delineated all areas on city land within 150 feet of at-risk communities, prioritized areas based on the level of risk, and then looked at environmental factors, geographic, topographical factors that limit our ability to conduct fuel mitigation. Maybe it's too steep or there's caves, springs other environmental features and narrow that down to treatable acres. If all the at-risk city

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lands treatable, the fuels mitigation crew has addressed about 11% of the overall at-risk plans so we have a lot of work ahead of us to do, but they've accomplished a significant amount of fuels mitigation across the city. >> Alter: Thank you. I'm trying to understand why that's not included in this audit. The audit asked for is the city of Austin effectively working to prevent wildfires and adequately prepared to respond to wildfires. If we as a city are only limited to public lands and have Donnell done 11% of what we could do, and from the information I have it's, you know, if we're only at 11%, we're not going to get much further because that brush comes back. And so if you want to get beyond that, you've got to speed it up some, and that is not in this audit and I don't understand, that would be some information that we would have that would help us to understand whether we are adequately meeting the risk.

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>> Do you want to add something or I can -- just to speak to that, I think that's something that in trying to kind of simplify our report, there may be some information that we left out. I think that we can speak to the breadth of the program. What we were trying to recognize is our department has taken a best practice framework, implemented the best practice framework. The kind of, you know, in many programs like this the amount of resources we could use to do who work is infinite, but what we were trying to emphasize the department is going on good job with what they have. We could certainly add text to include the volume of work and the fact we're focused on clearing on public lands. I think education in some of the outreach efforts focus more on nonpublic lands. >> Alter: So I think there's a definitely a piece of this audit that is missing. The objective was is the city of Austin effectively working to prevent wildfires

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and adequately prepared to respond to wildfires. And while I completely understand that what this audit found was with the resources they had, that the units were prioritizing in the right places. But it doesn't give me as a policy maker the information that I asked for to try to understand if we are putting enough resources into this area given the magnitude of the risk. The report doesn't even give us a sense of what the risk for wildfire is to our city, which is enormous. And if we don't have that background of how do we -- how do we assess what the risk to our city is of wildfire in terms of what can go in flames, what can be destroyed, then how do we know if we are putting enough resources there. It does highlight a few places that we can take next steps and I hope as those are now identified we can take action in those areas. It highlights the need for

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interdepartmental cooperation, but as currently written, it does not tell me whether we are adequately prepared. It says given the resources we have, we are doing as best we can. And that is not the same thing. And given that where I've seen this is wildfire is considered one of the highest risks that we have as a city with respect to fire, with respect to natural disaster, to not have anything that helps us to understand that risk, to me that is not answering what we need -- where we need to go. Councilmember pool, did you want to follow up on that? I had some other questions but go ahead. >> Pool: I did want to have our staff and think I think would be the fire department and maybe the water utility. When we are talking about the possibility of wildfire and the risk associated, we

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also need to recognize where we have a healthy urban forest, that the forests themselves create a break and a fire break and provide a level of prevention. Because all the trees are not going to flame like that,

they are not dry as tinder. So I just wanted to make sure that when we are talking about wui and the level of risk in our community, people do need to be concerned and they need to be alert and we need to be staffed up and prepared for every extigency that we can, but I think what our chair is asking is to the extent we can talk about the health of our urban canopy and for example our preserves, and then what are we doing in extending our education and alignment with

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private entities so that while we have responsibility for our public lands, that they also are taking responsibility for maintaining theirs. And then there was a third one and I can't remember what it is right now, but that's probably plenty to start with. >> Well, Daryl Slusher again. Yes, we manage our lands for water quality protection, for endangered species and also for wildfire prevention so we have the shaded fuel breaks it talks about in the audit. We sometimes mow or clear fire break or fuel break when it comes close to houses. And we follow the same thing the community wildfire plan on prioritizing those. And then we clear out brush with prescribed burn and fuel with prescribed burns as well. And we really worked -- on the fire portion of it, we work very closely with the

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Austin fire department, and then we reach out to neighbors, and some of these places are outside of Austin's city limits and so there we work with what's authorities there are. We've done a lot to improve relations with hays county officials over the last few years, feel like we've been pretty successful with that. And then we worked with individual neighbors, in particular when we have a prescribed burn we'll go around and talk to the neighbors that are immediately adjacent, we'll do postings other places and we just do as much -- we work with other departments on providing as much education to the community as we possible can about what they need to do on their property. >> Pool: It was the prescribed burn piece was the third one, so you got that one. I don't know if the chief or Mr. Jones would like to talk a little about the work we do with prescribed burns. This is also a combined effort with our water quality protection department staff and at some point if we can get our plaster plan together for

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our -- master plan together with parks and rec, that department will also be part of this coalition of city staff who are working on this topic. So prescribed burns. >> Absolutely. Mr. Johnson can talk about prescribed burns, but I want to add because our department, we are at 100% trained in basic wildland fire protection. So all of the members in the operation field has been trained to go out and help fight wildland fire when it happens. Plus, our various agency we partner with on help us out. But prevention is

the key. Prevention is the best approach to take in dealing with any type of hazard. Mr. Johnson come up and talk about the prescribed burn area and relationship with the private communities as far as educating them and the public we educate in dealing with wildland fires. >>En that you, chief. To speak to your initial question about protecting, preserving our urban canopy

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and other environmental values, one of the things that the Austin fire department wildfire division has strived to do is integrate with other partners in the conservation of our shared values. For example, we serve on the urban forestry leadership team, green -- the interdepartmental tree working group often other entities focused on preserving community values from wildfire. Because it can be a threat to multiple values. We are the -- rated as one of the highest risk communities in the nation for potential structure loss so we certainly take it serious, but it won't just affect structures, it will effect all of our values including our economy, our health with smoke issues and potentially urban forestry. As Mr. Slusher mentioned, we have a shared vision how to accomplish these vegetation management projects and it's through land management planning we recently worked with community forestry on

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developing a community level forestry management plan for protecting their scan know pee and the community from wildfire. Breaks are seamless across boundaries both on the public side and we provide technical assistance. When public land treatments and private land treatments meet, you don't know where one starts and the other stops because we're applying the same best practices that we've all agreed upon and shared that if we're doing this work in areas that we've prioritized, then we can support moving forward with more aggressive and overarching implementation. Prescribed fire is one of the most ecologically sound tools for restoring our native ecosystems to natural prior conditions and rejeeps. It's not something we can just everywhere so it's not a universal solution. We want to use it more aggressively in areas that we can burn. Photographer, we just worked with hard -- for example, we

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worked with pard land managers has the potential to use it for a management fool but it's going to be combined with other management strategies -- tool -- shaded fuels, break, implementation and fire prevention as chief baker mentioned. >> Pool: Thank you. >> Alter: I had some other questions, not for water though. So another thing that I didn't see in the audit that I think would be useful, you briefly mentioned arr today but I didn't remember seeing it in the report. In order for private folks to do their part with clearing brush, they have to have a way to take it away. One of the things I think another map

that would be useful is an overlay where we have arr service and where we have our fire risk areas. Where you have high risk you don't have arr services and

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we've been having a lot of trouble getting brush pickup to those areas that used to have it under esd4 and so those folks can't do their private part of removing the brush and that is something that is a role for government and I think that would need to be incorporated. I don't know if you did any looking into arr with this. >> I think we looked into some arr. We looked into the specific esd 4 issue. Talking with the fire department and what the responsibilities were there, and I know they did have contract money. That contract didn't get let. I would let them speak more to that. >> Alter: I know about that contract. If we're trying to assess whether we're adequately prepared, if another piece is the private land and one of the things we can do in the private lands is help people remove that brush, whether they have to pay for it or how that is instructed, if there's no mechanism for them to do

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that because the way our system is structured, there's no arr in those areas and there's an overlap I don't know, there's no map for that, that is a gap. That also could potentially be filled even with an opportunity to pay services or for hoas to, you know, contract out with arr for particular periods of time. That would be another thing that could be looked at with that. >> And certainly that's not -- was not something that we looked at within the scope of this audit. It's something we can provide additional information on if you like. I believe they can provide that overlay map easily. We were trying to focus in on what the city is doing and public lands seemed to be such a big piece of the risk because of the percentage of acreage that the city maintains. But so as we are looking at it from an audit perspective and trying to zero in and use our resources, to the best of our ability we didn't pick up everything that could have come up in

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this audit, but that's definitely an area if you want more information we can provide. >> Alter: I would like more information. The last area before I make a motion would be with respect to Austin energy. Pg&e has been held liable for the camp fire fires. That is another aspect that we have a risk not just for what happens with respect to the consequence of wildfire for our structures and our people and our air, but also from a financial standpoint and to what extent did that come up in your -- what you were looking at? >> We did explore that with ae staff. And essentially I think what they were in the middle of I think adopting a little bit different approach in clearing more brush than they had been. And so that was

in process, we mentioned it in the audit. We didn't go into it in detail just because I think they were in the middle of that change. >> Alter: Okay. >> Councilmember, I can just

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add a little bit to that outside of the audit, but since the city manager has convened an interdepartmental group consisting of us, Austin energy, Austin fire department and other departments and that's an issue that I know our general manager sergeant is keenly aware of and we're working on through that group as well. It's just through Austin energy themselves. >> Alter: What is the scope of that group? >> It's looking -- I'd be more comfortable with the city manager answering that. It's about wildfire prevention and preparedness. >> Alter: Wonderful. I look forward to learning more about that. Councilmember pool. >> Pool: One more question and it's not for the water utility, thank you, Mr. Slusher. I guess it would be just for the audit. Did you all look at making some recommendations -- you had mentioned the land development code, but that was in reference to whether the wui would be adopted. I was curious and I guess

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this is coming coming out of the real tragic destructive fires in California, concreteized ex -- Cal. To the extent homes are being built in areas that have high risk, are we going to recommend in the land development code that the exterior structural elements be the kind that would protect against fires? I think that -- I don't want to say the name of the -- those structural material because I think it's -- but you know what I'm talking about, stuff that has the concrete infused in it, stone and brick and so forth. >> And I can't speak to what's in the land development code. My understanding is those elements that you are talking about are part of what the wui is about. >> Pool: Okay. >> Trying to make sure that homes do have that kind of material, are more resistant to catching fire and if they do catch fire that they burn

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more slowly. >> Pool: Right. And I see Mr. Gonzalez here, acm Gonzalez, and he is now has as part of the his portfolio the rewrite of the land development code. Maybe when we look at building standards and structural materials, particularly in areas that if we are going to pinpoint parts of the city that are at higher risk than the average, that we recommend that concreteized structural -- ex steer I don't remember structural elements be utilized in building materials. You might toss that into the boiling pot, that would be great. Thanks. >> Alter: I think that's what the wui code is supposed to be doing and I hope my colleagues will join me in supporting that code when it comes before us shortly. So -- I'm not sure how to do this concisely, but this is what I would like to do to the direction. I would like the auditor's

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office to continue to work with staff to provide a more detailed analysis whether we are effectively working and adequately prepared, you know, looking at the things for the magnitude of the risk what we're doing and whether we, you know, even if you can't tell us by some ideal measure, at least tell us where we are relative to the challenge. So things like what Mr. Jones brought up that we have identified the treatable area and we are only able to do 11% and that is going to keep coming back with the resources we have, we're never going to get beyond that 11% or maybe we will. What can we do there. I think there are things that can be communicated in this report about the level of risk that we face as a community that are not there that would allow us to better assess whether we need more resources. I'm not questioning whether with the resources we have we're doing as much as we can and whether we are focused in high-risk areas, but I knew that already. What I didn't know, what I

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don't understand and I still don't understand after this audit is whether we are adequately prepared. And so I would like that to be part of it. Beyond just what are we doing with the resources that we have, I would like to add the direction be changed with respect to the wui code that council, not just the city manager be made aware if there are any deviations in the land development code as it comes forward so we are aware, not just the city manager. I would like the arr piece to be looked at as part of this as well. And where possible I think with arr and with the parks, I think we need to have some visuals that help us to explain. For instance, with parks, it didn't really tell me where those preserves were, where those risks were and give me other than they don't have a land management plan, you know, of the treatable

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acres, you know, how much is parkland, you know, if we say that there's 11% and then on top of that or is the parkland part of that treatable acre part. You know, there's just -- the magnitude of the problem is not clear from this report. It is clear that with the resources that we currently have we're doing the best that we can, but as an audit, it doesn't have to be a gotcha on the department, it is also there to tell us whether we're meeting the risks that we have. So I don't know how you are going to capture that as a motion, but that is what I would like to ask and I don't know if my colleagues will join me in that or refine that in some way. >> Tovo: I support those. I just want to make sure I captured them all. Making sure the council is informed about any elements missing in the land development code that we might have counted on for the -- I'm not going to say wui, I'm going to say

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wildland-urban interface code. Following up on the question you asked before. We needed visuals on where the preserves are, and then the fourth and I guess overarching is we need to get to an understanding of whether we're deploying adequate resources given the level of risk. Is that kind of what -- have I captured -- >> Alter: And in my correspondence with the auditor's office when I reviewed this, they basically said we have no ideal way of doing it. And I understand because you could put all resources into this and still not solve it. But at the very least we need a magnitude of the problem that we are facing and what our resources are allowing us to do. I know from this that we have a certain number of folks. I know that we are deploying at this particular place, but I don't know what that's achieving relative to the risk. And my sense is at least within the fire department, that they have a sense of all of that information.

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It is inconvenient because we are not putting enough resources into this area, but I think that is what we need to daylight and then we need to be able to make some decisions about, and that can be decisions about what is going into the public part or there may be things that we need to do in stepping up what we can do with respect to the private whether it's the wui code with other things as well. I think this is really critical as we go into a discussion with the wui code that we as a council have to have clear knowledge of what is the extent of the risks that we face. And what are the current resources allowing us to do. Councilmember Ellis. >> Ellis: I had kind of a thought process similar to what vice chair pool was getting at with private development. I used to live in an apartment that didn't abutt any preserve space, wasn't in a forested area, but in the summer of 2011 it had a

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bunch of dead bamboo abutting a wood structured building. It happened to be right next to a part of mopac that happened to catch fire. The next day all the bamboo was gone, but I didn't know if there was specific outreach to things like apartment buildings or multi-family complexes in any way to kind of be more in front of them to make sure they can kind of address that before it starts. I know that may affect what you have as capacity, but I think it's extremely important that it's not just about these areas, you know, kind of on the outside of town or near preserves, but it could also apply to something that's very close to the inner portions of the city that just may not have an awareness that this could be a concern. >> Alter: Thank you for raising that, councilmember Ellis. I think there are ways that we can do a lot of things and some of it is a matter of resources and, you know, part of what this audit reveals is we've had to target and be very targeted, but it's hard to know what

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we're missing from the information that was presented. So if we can take a vote on that direction to go back and continue to work to refine it. So I made the motion and councilmember pool seconded it. All those in favor? It's unanimous from the committee. Thank you for all who are working on this problem. It's been a very hot and dry summer. We have burn bans in our parks right now. The risk of wildfire is high. Your work is really important to help prevent these wildfires and to be there in the case that they happen. You know, in asking these questions it's because I value what you are doing and I want to make sure that we have enough resources to address the challenges that you all are confronting in great detail every day. So thank you. We will now move to the next item on our agenda, and item number 4, I believe.

[10:25:05 AM]

>> This is the audit of permitting process improvements. Patrick Johnson has a very lucky day, he's going to be up near at least twice, maybe three times to talk about different projects. He was the manager. Carl Stevenson was the auditor in charge and they will be presenting and answering questions. >> Thanks, corrie. Our objective with this audit was to determine if actions taken to improve the permitting process as a result of prior reports reported in improved services. In 2015 the Zucker report was issued and included 462 recommendations to improve the development process in Austin. 397 of those recommendations were assigned to the development services department. At that time the two main issues for customers were that it took too long to get a permit and there were inconsistencies in the process. We found the development

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services department has implemented changes to the permitting process, but issues important to customers including the time it takes, the time and cost it takes to get a permit remain an issue. Some of the customer centric changes made by development services included meeting with customers to establish realistic expectations and improving the physical space such as adding waiting areas. Internally management focused on training for staff and updating technologies in some areas. In addition the department began offering an expedited plan review process. This process cost more for customers who use it but brings more certainty to the process. Related to time line, we looked at you reported results after a 12-month period and noted service level goals were not consistently being met by all reviewing departments. That was the case for all three types of plan reviews as shown here, commercial, residential, site and subdivision. We noted several causes for

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review delays. First being time lines are not tracked in the city's electronic system amandaen a some reviews are not tracked at all. All stakeholders cited the code, specifically it's size, number and ambiguity of some requirements and the lack of prioritization among conflicting sectors. Dealing with these factors takes time and leads to some inconsistently of results. Third, while development services shepherds the permitting process, management cited lack of authority over other staff in other departments. Development services has pursued coalition agreements with other departments but not all issues there have been addressed. Fourth, staffing has contributed to delays. For a time supervisors were conducting work alongside staff and not fully devoting their attention to overseeing the process. We noted that additional staff has been hired within the last year. A second issue important to

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customers we spoke with was cost. In the last several years, development services has transitioned to an enterprise department meaning the cost of its services are reflected in the fees it charges its customers. We worked with staff to identify six common permit types and compared costs from 2016 to 2019. As shown on the chart, costs were higher for four of the six permits. We noted that these costs were higher in Austin than in other cities as well. We also looked at community and customer survey results and noted that satisfaction levels with the permitting process time line were mixed as shown here. Also some people expressed not seeing the value in the permitting process which could have health and safety impacts. Stakeholders estimated between 30 and 50% of residential projects may be done outside the established permitting process. To address the issues identified with the permitting process we made four recommendation as shown

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on this slide and management has agreed. That concludes my presentation. I would be happy to answer any questions. >> Alter: Thank you. Any questions? Councilmember tovo. >> Tovo: Quick ones. Was this a regular -- I've lost track of why we're doing this audit. Was this a special request or a follow-up on a previous audit or was this something the auditor's office initiated? >> I would say it was a regular audit that our office initiated through our audit plan. That said, it was a bit of a hybrid so we were going back and looking at recommendations made by essential "Another entity in the past and seeing how well those had been implemented and what the results were from implementing those. >> Tovo: What was the other entity? >> The Zucker report. >> Tovo: I see. And then where in the report can you point me to where the shake holders are listed? >> I don't think he with

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listed all the stakeholders we talked to. We talked to just residential folks that, you know, maybe they did one -- they went through the process once. We talked to contractors. That both work here in and in other areas. Real estate agents. Building folks in the building -- home building industry that go through the process on a normal level. We talked to other development services type, essentially the equivalent in other cities as well, we talked to those folks as well. >> Tovo: How did you reach out to those stakeholders? Did you go through the records and select some and reach out or put out a call for individuals in the development industry to contact you? >> We did identify some people allow the system so they were in the system, we reached out and asked if they would talk to us. We had a few folks approach us to share their experiences. Then we identified some of the other cities and then contacted those folks just through the normal process.

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>> Tovo: Okay. Thank you. >> Pool: I just have a quick question for you on the charts that talk about once goal was met. So the total number of months was 12 in every case, right? >> Right. >> Pool: So just the previous year. Was there any assessment of how complex the review -- how complex the items were that each reviewing department had to review? >> We didn't really have that in this data, and I think we tried to dig down in the data, had some trouble I think trying to kind of match review to review, department to department on how they entered their data. And so I think we went to a little higher level looking at overall service level goals, are those being met. We tried to include -- again

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the scale of it. And so, you know, on page 5 of the report we talk about commercial reviews and so development services over the 12-month period met the goal 92%, the goal was 90%. But the other departments, the next lowest of those four was 79. So on some level they are about ten points away from the goal. Not too bad. And then other areas we tried to give that scale. >> Pool: I think that knowing how many elements they had to review or what this inner work goes were, and again the complexity what inform that, but I can see you may have had difficulties being able to compare equally across all the departments. My last question on this was oftentimes when we're looking at zoning at the front end, we see that there are some issues that are going to crop up when it gets to site plan. And so, for example, transportation plan doesn't happen until you good it to

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site plan, but we could really kind of deal with that particular difficulty challenge earlier if we had a review at that level at the -- at the front end, at the top level. Did you have any -- was that part of any of the recommendations or did that piece occur to you all as to whether we had all of the necessary

actions happening at a given phase? >> Yeah, and I think what our recommendation is really geared to is trying to identify those types of situations and come up with a plan to proactively address those. As we talk about some of them that where you get conflicting requirements in the code, where this department is saying this needs to happen and this department says well, this needs to happen and they may be mutually exclusive. Trying to work through a solution generally takes time and I think getting ahead of that is part of the first recommendation. >> Pool: Good.

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When acmen go gone comes up, I guess -- acm Gonzalez comes up. Maybe you can address that. >> Alter: I think it would be appropriate now to do the management response. We can skip to -- we're eager to ask questions. Thank you, we'll let management make their response. You have one more comment before? >> Tovo: It's more of a comment because I don't see it's really worked out into -- into the findings. Perhaps it works into the findings with regard to making sure that departmental outreach and education efforts target people who may be unaware of the requirements. I mean, I find that to frequently be the case. I had a lighting company come out and they weren't aware of the need to have a permit. I think that additional outreach is really important. I guess I don't know, you know, there are some comments within overview that talk about -- talk about customers citing costs

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as a concern and, you know, they don't see the value of going through the permitting process because it takes time, too much time and too much money. I guess I don't know how to -- I just want to be sure that we're not in passing this audit suggesting that those concerns should point us to any relaxing of our code because the people who are involved in the building industry who are, it sounds like, the primarily stakeholders you consulted, would prefer to have less regulation and lower fees. So I appreciate that as background, but for me that doesn't point us in a direction that -- it doesn't point us in a different direction. I think the answer then is making sure people are aware of why that's important and as you have noted maybe there aren't widespread issues that come from not following the permitting, you know, all you need the one bad wiring that got done outside the code to present

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a health and safety or a -- you know, a fatal consequences for the people who live there who may not be aware it was done in an unpermitted fashion. >> Right. >> Tovo: I just want to get on the record I think that's interesting, useful information to know how the stakeholders responded, but I continue to think we need to stick with our codes and make sure the development is paying for itself which was the policy direction. >> Just for the record, perhaps I can clarify. I think the main sentiment we got and generally

the developers and builders say I don't mind paying more but I want to get through the process faster. If the goal about is to try to fix the process and get through faster so they can get their projects done, I don't mind paying the extra cost but I don't want to pay the extra costs and not get done faster. The department has made some changes, is working on improving that process and I think the goal is to improve

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the process essentially to match that sentiment. So I'm sorry it was taken that way. What we were trying to communicate is given no change, I don't want to pay more, I'm happy to pay more if I can get through the process. >> Tovo: But the fact remains if there is a permit required for work -- if there's a permit required for work that adds to the time period, because in some cases you then have an inspection. At some level I think the process changes are useful and will help people get through the process faster, but the fact is having a code that requires permitting and sometimes a subsequent inspection does add time to the process. There's a certain amount -- there's a certain amount we can do to meet that concern and there's a certain amount that our job to protect the health and safety of a residence is not going to be able to mitigate. It would be very fast if you didn't have to get any permits. That's the balance we have to strike and I don't think

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you are pointing to any particular conclusion, I just want to be sure that some of these audits have really been -- have taken on a life of their own once we leave this committee and so I just want to make sure that I stated that clearly. >> And to your point, I think our last recommendation is that we talked about is trying to target folks to make sure they know there are requirements, you do need a permit to do this, here's why and please get in the process so that our -- you know, anything that we do related to this process is as safe as it can be. >> Tovo: Sure, and I think educating homeowners about that work and also making sure that those in rental properties are also aware is important because, you know, I think that's -- I mean, again, I gave one example, but that was just one of a couple examples I can offer about sometimes you rely on the companies coming to do the work to know the code and if they are a little off on what requires a permit, then that -- the end user

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may not be making sure they have one. >> Alter: Thank you for raising that issue, councilmember tovo. I also noted that and it may be that in the final version we can add some caveats to the effect that we have these requirements for health and safety reasons and you are required to follow them because I think there was a -- there were two separate points, one is the point that you are making that folks

didn't mind paying if they got through the process, but then there was another group that we seem to be allowing to have ways to say we just won't follow the permit process. And we don't in any way want to condone that moving forward. Councilmember pool, and I just want to do a time check so we can keep moving, that would be great. >> Pool: I think along the lines of what both the chair and councilmember tovo are saying about educating the public, we can explain where we can find time efficiencies and where they absolutely can't be

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expected. And when we have inspections in a booming town like we've got, we have a set number of people who do the inspections, they may be having to drive all over town. Hopefully we have some efficiencies in how we dispatch them, but the fact is some things will take longer than anybody can expect and we should not give a false sense to the community that we are going to in any way curtail or cut corners on our inspections on our safety inspections and, like, electrical and plumbing and all the rest that goes into construction. We can't be giving that -- that idea out at all. When we talk -- Mr. Gonzalez, when you talk, I wanted to explore the pay to play piece, which is I'm kind of calling this, after you get your response in. >> Absolutely. Rodney Gonzalez, assistant city manager for economic opportunity and afford I don't believe and oversaw dsd four years especially with the initiation of the department. We appreciate the work the audit office has done. We also value their work as

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an opportunity to seek improvement. Earlier this year you received a memo from us outlining how we had implemented the Zucker recommendations from four years ago as a means of putting all those in place but also defining the conclusion of those recommendation. I will say that those aren't the only things we've done within the department. Over the last four years we've done a significant number of other improvements to look at improving the process itself. I would concur with everything council is saying here. We have two-fold job, our primary job enforce the codes and regulations on the books. That way people meet, developers meet those codes and regulations. And we are a customer service oriented department for both direct and indirect customers. And so we have a two-fold job in that regard, but the primary job is enforce the regulations. In that regard we typically speak about our processes as being on time rather than fast. And that's really important for us because we feel that

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if we go fast, we might be more prone to error. And so we always seek, like, a time review target of 90%. Of course, we have to have the resources to meet that target. Denise Lucas provided the response so I'm going to turn it over to Denise and then as for questions, we're both going to respond to those

questions. >> Good morning, Denise Lucas, development services department director. I'd like to pass out a document for you that kind of talks about the journey that dsd has been on to both improve the customer experience and to become more efficient. So with regards to -- >> Alter: If the clerk can add that to the record as well, that would be great. Thank you. >> Yes. So in the the upper left-hand corner, it tells you which response the attachment corresponds to. In 2018 we engaged with our stakeholders and came up with 66 win-win opportunities for

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improvement. We're very pleased to say we've completed the majority of those and expect to work through the end of the list by the end of this year. We also have in our packet a list of all the stakeholders engagements the department has done since January 2019 and right now we conducted 75 different engagements with different members of the community, professional associations, and the development community as well. In January 2019, we created the stakeholder and community engagement community specifically to address outreach and education for the development community and for homeowners. And soon we'll have our four ombuds people on board that will give personalized attention to residential and small business owners, which was indicated by the different chambers in the city as needing this program and can benefit from this as well. In addition in your packet we have a list of all the technology improvements that we have made year to date.

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Although electronic plan was something we're still working on, we've worked on many projects successfully implemented and to improve the customer experience as well. Then the final document talks about how we're using technology to improve efficiency and processes. It tells you the number of items and transactions we've conducted electronically so far year to date. >> Alter: Thank you and congratulations on your official appointment. You have a very large task in front of you. So thank you. Were you finished with your -- >> Yes. >> Alter: I have some questions, but I wanted to see if other colleagues had questions first? Okay. So first let me just say that I was disturbed and disappointed by the information in this audit. It was my impression from previous meetings and briefings on this department

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that we were on an improvement track, making steady progress and since I came on council we have invested in the dsd building, which obviously is not operational, which will hopefully have a transformative effect. We made major investments last year in staff. So it was disappointing to receive this audit. Part of this is on council for not allocating the money for those positions until last year, but

other findings don't seem to point at that as a cause of short comings. The ambulance people in particular I had championed through the budget process, very surprised to find we are in August and they're not hired yet. So we approved these positions about a year ago.

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Can you tell me why we haven't hired those four people yet and why it's taking a year to hire some key positions that were called out in the Zucker report for improvements. >> Yes, I can. We originally asked for planner 2's in the budget and then after engaging with council and the community, we realized that the planner 2 job description wasn't the adequate job description that we needed. So we partnered with our human resources department to come up with a better job title and we're pleased to say that we're in the final screening phases and expect to bring those employees on board in the next 60 days. >> Alter: And how will we be publicizing those. >> Through the stakeholder process and also through social media as well and also through the building so people know the service is available. We've also done 1 on 1s with the different chambers letting them know the program is coming and they can reach out to the small business owners and let them know the service will be

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available as well. >> Alter: Can you please explain why according to audits you do not collect data in a way to determine where specific delays exist. Can you explain why you don't if you don't? And if we don't collect data in that way how are we making assertions that part of the delay is the complexity of our code in the audit? That's kind of for both of you, I guess. And the second part of the part aboutow do we know that this is complexity in the code that's the problem is that do we know which parts of the code are allegedly adding the complexity that causes the delay, which is what is described in the audit? So I think the first part of why you don't collect it is for you, Ms. Lucas, and the second part is probably for the auditor. And I can repeat that if it didn't make sense. >> We do collect the data. We use a tool called microstrategy that extracts the information out of the Amanda software application and lets us know exactly where we're at at any one time.

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We also have the Austin building connect portal so an individual can log in and actually see where they are in the process and getting their permit approved. The dataset that the auditor used is from the open data portal and that dataset isn't the dataset with used to track time. >> Alter: So does that need to be updated in the audit? I'm trying to understand. >> Maybe I can add some clarity. What we tried to do is select individual permits, go into the Amanda system itself and follow those and try to get that information out. I think what we heard was different departments use different dates differently so that

kind of process would be problematic in comparing say this review period to this review period. It's not the same thing. And so we took a step back. I think we looked at what data was available. There is data on the open data portal. It had -- I forget the date. It was the -- essentially

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the application date, the issue date. And we were looking at that trying to see if we could use that to try to get some high level kind of timeline information out and then digging into that data the issue date -- I believe it was the issue date, came from about four different dates within Amanda. So again, I think going back to the issue where some dates are used a little differently by some departments. So kind of grabbing that information. And then the microstrategies reports, we were aware of that. We just didn't see that being done proactively. And then just with the issues that we were seeing with the data didn't do an analysis based on that. >> Alter: So do we have -- we have a data problem to measure what the actual delay is because we have different pieces of data. I'm understanding that that's a problem from an

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auditing perspective, but do we have an understanding of what causes a delay, however we're measuring the time? Is that in place or is that absent? And that is creating a little confusion for me? >> We can tell what reviewing department, where it is at that time and how long they have it, but we can't tell exactly what's in the process that's taking the extra time. >> If I could also add one thing. One significant improvement that is underway is a [indiscernible] Six sigma analysis of the site plan process specifically to help us understand the causes of the delays and to help us understand wherein efficiencies exist in the site plan process. So I believe we're in about the third month of that with the intention of completing that by the end of the year. >> Okay. When the auditor did the audit, were you able to validate the statements that the delays were caused by

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the complexity of the code. I know it was settled at the time, but I don't always see evidence of that. I know that it's stated. >> Right. Around I think what we tried to do is look at what do we have versus what do other cities have? I think that was one thing we looked at. And certainly we do have more requirements than most other cities. What we heard just across the board and that's why we reached out to a spectrum of stakeholders trying to get information, we heard some of the issues from the department from some of the folks that are doing reviews and kind of in that process talking about the ambiguity of language, and that causes issues, some of the prioritization issues. And in talking with the

stakeholders they expressed to us similar sentiments, so what we tried to do was just line up different pieces of information from different folks again coming from

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different perspectives. And essentially that information lined up and everyone we talked to talked about the code. Here's an issue I had with the code, this specific section, be it a tree section that affected my fence or whatever it was. All lined up. So I think putting all of that together and that's sort of where that came from. >> Alter: Thank you. So my last question for dsd and trying to understand we just got a memo yesterday talking about house bill that was going to ask us to speed up our site division process. So can you help me understand how we should be thinking about the finding of the audit with the new ordinance changes we will be considering at our next council meeting to meet the new state deadline requirements. It seems we have a problem meeting our own deadlines, but now we will have a much more ambitious set of requirements at least for that segment of our review.

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And I don't see a path to get there at that pace that I'm assuming we would need to to do these reviews within 30 days. And then not being able to add any more comments and et cetera, et cetera. >> Absolutely. I think that speaks to our concern of speaking about the review in terms of being vast versus being on time. Hb 3167 focuses on being fast, irrespective of what types of regulations that we have to enforce. The great thing is had we been working with all the partner departments making them aware of the shot clock if you will, asking them to be prepared for September 1st when the bill goes into effect, including our own staff. As was pointed out, yes, we have each month been on time, however, we've been very close and with the new positions that were approved by council in October 1st of last year those have been hired and they are getting trained so we'll have them

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on board and underway come September 1st. So yes, it is concerning with us for 3167 because of the focus on time, but irregardless it's a state law and we have to meet that requirement. We will have to use overtime. We will have to probably ask staff to work on the weekends in order to meet that 30 day requirement. >> Alter: I don't envy you that. >> It's unfortunate for every Texas city because it completely disregarded the regulations that are in place in each community and instead focused on an arbitrary number of 30 days. >> Alter: Yes. I think it is unfortunate, especially since they can change things and then we're not allowed to comment on the new things and it doesn't make a whole lot of sense to me. I'm just thankful it's not on every aspect of that stage and just on the subdivision section. >> Absolutely. I did want to take the time to clarify and just to respond to your concern

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about the audit report and the findings. There were two specific focuses with regard to the audit report and that was the on time piece of it. But the Zucker analysis, which we've reported on from day one, covered so many more topics than just that. It covered areas like finance, management, communications, performance standards, technology and staffing. And it's all those other areas that we've reported on to council and have reported our progress and improvement. So what I don't want to do is lead with a misinterpretation because the audit focused on two specific recommendations in the Zucker analysis that the other improvements that we've made and the other recommendations that were implemented did not get done. >> Thank you. I appreciate you making that clarification. Do we have a motion? >> Pool: I have a question. >> Alter: Councilmember pool, and then we do have to -- >> Pool: A real quick question and maybe you all can follow up later with a memo, but back to what I was calling pay to play, which

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was the piece where we introduced if you pay a higher fee that you would have an expedited permitting situation. That is great for large entities that have the ability to put that money on the table, but it does potentially introduce individual delays for an individual resident who may have a project and then finds themselves at the back of the queue somewhere. So I understand that the department bifurcated those two. We set aside different staff were doing the expedited and the other staff were doing the regular probably smaller project and individual projects. If you could give us an update by memo is great or if you want to talk about it now. I want to make sure we're not slowing down the projects that are small in the city. Those are the the ones that are probably at great danger of being done without having gone through permitting process and also maybe having the danger of not having the expertise of

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licensed technicians and plumbers and electricians. In order to get something done without having to wait for what may seem like forever for them. So I just want to make sure that we are not unnecessarily disadvantaging people who have smaller projects who maybe don't have the money to pay for expedited, aside from the fact that we want to make sure that the expedited really is expedited, and not slowing down the people that are in that queue. >> Thank you very much. We will respond with a memo. The analogy we used is the managed toll lane with everyone with the exception of a managed toll lane uses the same lanes therefore we see delays across the board in each lane. What we did was we created a separate lane that you could pay a separate fee for thereby improving the flow in those lanes. We were

on time more and we also made other process improvements with regard to residential projects as well. And the other key area I

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appreciate your concern for single-family residences, the other key area for expedited building plan reviews that applies to multi-family apartments and so we're able to process those much faster as well through the expedited building plan review as well. >> Pool: Thanks. >> Alter: Thank you. Do we have a motion? Councilmember tovo moves to approve. Councilmember pool seconds. Was there any changes that you wanted made? >> Tovo: Well, we discussed Erwin center some of the caveats and I think you nicely articulated how we might frame the concerns that I made. So I would support that kind of language being added. >> Alter: Okay. Does the auditor have clarity on that to -- >> Tovo: I didn't take very good notes. >> I can go back and watch and make sure I have clarity on that. >> Tovo: I guess more or less we're not encouraging encouraging -- we're encouraging -- we're supporting dsd's continued improvements in the area of

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process, but we're not meaning to condone individuals who are skipping our permitting process. Or urging -- urging that we relax our codes in any way to speed up the process. >> Alter: Yeah. It's restating the fact of why we have these rules in the first place for health and safety. >> We can review the report language and add that context. >> >> Tovo: Great thank you. >> Alter: All those in favor in its unanimous. Thank you very much and good luck in your new role. I'm going to just very quickly take care of item 7, which is the meeting schedule. Auditor, would you like to tell us the date, I believe, moving the September meeting to the 26th? >> Yes. So we discussed at the last audit and finance committee meeting that we would move the date from the Wednesday the 25th to Thursday the

[11:00:38 AM]

26th. I believe we'll have one member absent, but that was the date that worked for the majority of the council. >> Alter: Okay. So I will move that. The 26th at 9:30. >> From Wednesday the 25th to Thursday the 26th. >> Alter: Okay. So I moved it, councilmember pool seconded. Does that work for you, councilmember tovo? >> Tovo: I may be the one councilmember who can't attend because it doesn't look like I'm available. >> Alter: Okay. But all those in favor of moving the calendar? Thank you. It's unanimous. We will now move to item number 5, an update on action taken to address recommendations from the 2017 city's harassment, discrimination and retaliation investigation practices audit.

[11:01:49 AM]

>> Good morning. Joya Hays, director of human resources. I'm joined here by Monica Orvella over the employment services division. We are here to provide you an update on the audit that was completed in 2017 from matrix relative to our investigatory process and other activities relative to the activities taking place with the investigations and policies associated to those in the human resources department. In 2017 in March we made a presentation to council relative to a response to some issues and concerns from employees relative to employee relations, investigations, how we go about doing it. When the council initiated the matrix report, in addition to that we went on parallel tracks to address policy. And so while the policies of chapter 1, our municipal civil service, are not

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included in the actual matrix report, today we're not only going to walk you through the components that are included in the report, but also give you some additional updates on some additional initiatives that are very much in alignment with some of the changes you will see based on the matrix report and to allow you to get a full scope of understanding as to what we are trying to do to not only address the issues before you, but associate issues relative to policy and investigation. There were seven -- there were seven recommendations that were made in the matrix report, but in many of those recommendations there was some duplication of recommendations types. So what I've done for you just summarize those seven into these key categories and we'll walk you through each of those and let you know what we've completed and what is still remaining. With that being said our first one was the establishment of a case management system. At the time of the audit we had a system in place, aims, on target. That system required all departments to input their

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investigations completed by the departments into the system upon completion. Just as an overview, and this may be something that the councilmembers know, but in our current infrastructure the department of human resources has a team who not only conducts investigations, but they also provide consultation to departments as they attempt to address discipline. In addition to that we have larger departments who have full scale human resources teams. Those teams also have investigators who will do investigations on the departmental level. We have smaller departments who may have an hr representative but don't have a full scale staff to conduct investigations and in those instances their investigations come to us. So understanding that infrastructure, the recommendations that came from the matrix report included better management of active cases. Our system wasn't a record was what

was happening at the moment. It was simply what took place once those investigations were completed. They wanted us to be able to

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utilize a system to develop performance reports, monitor trends and actions by other departments. Two things we looked at as we addressed those particular pieces. One of it is how do we immediately address some immediate needs and how do we have a future process of evaluating evaluating potential better technology or better software to create the opportunity to run more sophisticated reports. You will hear our short-term and long-term actions refusal to that. Establish guidance. I want to say that this is probably the biggest, most robust component of the matrix report relative to investigations guidelines. So basically coming together and figuring out how we can centralize a process, identify roles and responsibilities, how we create some consistency and both hr corporate and the department hrs conduct investigations, guidelines as to how those should be done and of course

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guidelines that create some consistency in templates on how those reports are given out. And so that is information that also includes notifications, roles, checklist templates and timely response. And we'll walk you through those processes as well. We also have records, retention and training. That is two recommendations. We had one very closely aligned to training and our human resources staff across the departments and two, ensuring that we have a records retention training and records retention policy to ensure that everybody is maintaining the same and the appropriate records relative to the investigations that are completed? In looking at our department organizational structure. At the time of the matrix

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report, we had employees within the er section who were doing two roles. One, consulting the departments on how to help them with discipline. Two, completing investigations. The matrix report suggested that there is a strong perception that is difficult to do both. How are you assisting our departments and issuing discipline and you're the same people who are conducting investigations to determine findings. So we will walk you through those recommendations and what we've done thus far. I'm going to turn it over to Monica to talk you through all of the accomplishments and the current activities remaining relative to all of those recommendations. >> We have the management system used for employee investigations and discipline. We have drafted and established policies and provided training to our investigative staff to set clear expectations for the utilization of that system and manage and track

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investigations at the very beginning, starting with the complainant intake, following to the final report and discipline. It's not just a depository, it actually maintains and tracks case progress. Beginning in fy20 we'll provide annual progress reports to the departments regarding the number of active cases, the number of cases, timelines that it took to complete the investigations. >> I would also add in terms of the case management in hrd we have three sets of investigation reports that we run. The audit department will refer cases to us where they have found that there has been no fraud, waste or abuse, but there may be a need to evaluate the allegations further so we're tracking those allegations independent to ensure the departments are following through on those reviews. So we do investigations, if necessary, on the reviews from the audit department. Also if department staff do not feel comfortable with their investigators in the department, the departments can and/or the employee can

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request the human resources conduct those investigations. So I'll cases that are managed and investigated by hrd are tracked and managed to ensure that we can manage and keep those cases up to date. So we're also utilizing aim on target to ensure that our cases on hrd are also managed within that system. >> So to date our major update as Joya mentioned was we have drafted the investigation guidelines for administrative investigation. And I'll talk through what those guidelines look like on the next few slides, but in order to tell you how we got here, we benchmarked other cities to kind of figure out best practices and developing those. The guidelines outline our administrative investigation process relating to allegations of city policies and procedures. And that's where we walked

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through from the beginning where we received a complaint to the final report. We collaborated with stakeholders for feedback. Our hr manages, policy advisory group and the preliminary drafts with ascme. We've rolled out the training to the different departments on exactly what the guidelines say in order to get their feedback before we finalize those. We've delivered those to the department hr investigators in may and July at those er days. The guidelines define a standard investigation protocol, a standard reporting format and record retention requirements for administrative investigations for non-sworn employees. Right now our er division in hrd is using the templates and the checklist in rolling those out with the departments. We're getting feedback from the departments as we use those before we utilize the final formats. So the department is using that right now. We will continue training and implement guidelines

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citywide beginning -- our goal is October of 2020. >> Just in terms of next steps, this one was a big one in terms of creating those standards. While this guideline just is one that's approved within the department, I think it's going to be critical for the execution that we have,, the stakeholders's participation and so we walked all of our entities what those recommendations are. The one remaining piece that I think is critical to us is the conversation about having the peer reports and councilmember pool, you were one of the ones that had the question about the fairness of the process by which people received those reports. Once we've completed that portion we will give the final portion out to the policy group and acsme to make sure everyone has the tangible reports of the full guidelines to making sure we're on the same page. But we've tried hard with the guidelines. As we talk about the benchmark, there were few to

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no cities that provided the level of comprehensive investigation guidelines that we have sense created. We found. >> El Paso had like a one page document, but in most instances those who had the documents were closely related to the audit documents. So we really are innovative and creativity in the consistency citywide and I'm making sure that we take into consideration the key components from employees all the way up to executive management responsible for the execution of such. >> Specific to the matrix report, the guidelines create the standard for investigation protocol, reporting and record retention. It walks through the investigation process step by step. It gives times lines to the investigators, timelines for notices, outlines for roles and responsibilities. We have templates and checklist and guidance for the structure of the final report file so those should also remain consistent. And then how to use the reports to issue timely personnel actions.

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So we talked about training. To date we mentioned the er academy. Those are full day trainings. We rolled out to hr investigators through the city. We did one in may and July. The er day was a new guidelines. We outlined the process, timelines, roles, responsibilities. We handed out the draft templates and we had the records retention requirements at those trainings. We have also created an online is sexual harassment training pending city rollout. That's going to go to all employees here soon. >> I'll talk a little bit about it. This portion is not a part of the matrix report. It's probably the first introductory comment that doesn't reflect to the direct recommendations. But I think it's very pertinent considering our time and space and policy conversation. So the citywide online training will be required by all employees. The training has been created.

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Wethis is all training. Any critical area where we feel like there needs to be training across the board, I have limited trainers, so a 24 hour operation it's almost impossible to create and sustain training we can give for all 14,000 people. So it's a method that we're using to ensure adherence to our policies and the expectations in terms of behavior, so this takes us beyond the scope of creating policies and holding people accountable. It speaks to what is appropriate behavior in the workplace. That has been completed. It's been tested. We're currently setting up a welcome video from our city manager and we hope to execute that as quickly as October. And all employees will have to -- will track everybody's participation to ensure 100% completion of this training. In spaces where there is no technology for our operational field staff, we'll be working directly with those departments to allow those employees in to participate in that online training to adjust for any areas where technology may be somewhat of a concern or

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create some level of uncomfot for some of our employees. So that is certainly something we're looking at. >> Regarding the next step in our er academy, we're having an mscs appeals day. We'll assist hr with Progressive discipline and the municipal civil service rules. It's a collaboration between hr, mcs and law and it will be held later this month. And it's an all day training that covers discipline, hiring, and the msc appeal process and we're tying that into our er academy along with the E.R. Day. We have also in 2017 we had three trainings with the eeoc. We're providing additional trainings to be held in fiscal year 20 to talk about and reinforce discrimination, retaliation and harassment. >> And I would just point out with the eeoc training if you will remember in 2017 we did update the definitions of harassment,

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sexual harassment, retaliation and we included new language in our personnel policies for employee conduct. We collaborated with the ascme and other groups and that change has already been made. What we're look at now are the other policies. That book is very comprehensive to look at, compensation, risk management component, in addition to policies. So it's a pretty robust review. We've also updated the laws that have come from the last two legislatures. So that process is also taking place. And I'll talk more about that in our initiatives. My slide. All right. Alternative organizational structure. So this one is just speaking to the concern and perception that staff cannot investigate complaints and assist departments in consultation at the same time. What we have done with the current staff, we've got three employees who are focused on investigations. That's their primary responsibility. And two of those employees

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are focused on consulting departments. So with five staff members, we've -- as people have left we have moved in to new spaces and so we will have two dedicated staff members to do consulting, three now dedicated to investigations. There is a request in the budget. I've tried for the last couple of years and I'm in the budget, I'm hoping to stay there, for one additional position for employee relations so we would have four people conducting investigations. But let's talk about the realities of what that looks like. There are ebbs and flows. There's some times we have few investigations, sometimes they go. So that's hard for us to manage staffing around the unexpected movements. So as a strategy to address that, we're doing a master agreement where we're bringing in entities to do investigations for us. This was started with a request from council for third-party appeals. We've established what that looks like, we've worked

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with our stakeholders in addressing that. This will enhance that. So those in the master agreement would be allowed the opportunity to do investigations in spaces where we're uncomfortable, where staff has said we don't trust hr, we don't trust the department. We want some new person to come in and do the investigation. Or if there are investigations completed by hrd then we have the opportunity to have those reviewed to ensure that we were fair and equitable in ours. And then finally, there's a new component to those third-parties that will help us in sexual harassment cases. So we will continue to restructure the division based on how our investigators are hired and we have done all of that to justify the need for at least one additional fte in current budget for those investigations. We heard earlier about the specialized training. In addition to the online sexual harassment class we are collaborating with the law department to create an in-person training so if the departments were having

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particular issues or have a particular desire to have training, we will have one available to complement the online training that all employees are taking. We recognize and understand the issues relative to sexual harassment and our culture. So we are creating sworn personnel and an rfp to have a defined training course in sexual harassment developed for just sworn employees. So they will come in and create a class that allows us to directly affect the concerns that we've most recently heard relative to sexual harassment culture. So that is something that we're currently collaborating with with all three sworn groups. We've met with all of our sworn and they are all working to ensure that the investigation definitions that were updated are reflected in all of the sworn policies. And so we expect by the end of this month that all of our departments will have completed that to ensure consistency and our

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policies. As we've communicated to you, we are in final stages of our update to the chapter a policy. Those policies have gone through all of the stakeholders. They are currently in the hands of ascme and we will be meeting with them in the next couple of weeks to begin our process of walking through those policies to determine what the final report looks like prior to sending to the city manager's office. The discrimination, harassment and retaliation policies for sworn departments as I stated were already going to be updated. The sworn departments, sexual harassment allegations, in each of their policies I am now -- we are recommending it with the support of all of those departments, the sworn departments, that all sexual harassment investigations for sworn departments are not handled by the internal affairs entities of those groups. They will be sent and forwarded to hrd and we will have those investigations completed by third-parties. So I think that's -- and we'll be speaking to the public safety committee next Montana to talk about moving those sexual assault cases out of sworn into the hrd and as a policy given to a

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third-party to ensure constant consistency and privacy in those processes. I talked about the master agreement, here are all the areas that the master agreement will cover, investigations, reviews of the investigations and mediation services where we can send in many instances what turns into an investigation is really disagreement that could potentially be handled for for -- within departments through mediation services. So this contract would allow us to do that as well. We do have a department, our labor relations team who provides some level of mediation, but in our discussions with ascme they really feel like having external mediators would be effective as well. So we've included that in the scope of the rfp. And that really concludes where we are. Let me be really clear, three of the recommendations that are in the matrix report have been completely completed. Four of those recommendations are in process and it relates to finalizing the guidelines. And finalizing the retention

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process relative to our retention records. So we wanted to make sure that with all of that information it directly ties back to the recommendations from the matrix and where we are in terms of that process. >> Alter: Thank you. Before we take questions, Ms. Guthrie, you didn't sign up here. Were you still interested in speaking? >> [Inaudible]. >> Alter: If you would like to come up and afterwards if you can give the clerk your name that would be great. >> Thank you very much. Carol Guthrie with ascme. As we have started going through the third-party review process it has been a very long process. So I'm hopeful

that with the information that I heard today and the changeup of how they're going to do their investigations , because the investigations are taking too long.

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We have some that are reaching a year, and that's just too long. And then by the time you get the investigative report, you look at it. If you want a third-party review, you're going through yet another process. So I am excited to hear what was presented here and I hope that that will work out some of these issues. My major concern with the discrimination, harassment policy that we worked so hard on to move forward, the city has taken the position that in order to validate whether or not discrimination or retaliation has occurred that there needs to be an adverse impact which is a very high level. It's the legal level. And so I don't -- I know

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that you can be retaliated against in the workplace and it may not create an adverse impact which is loss of pay, but it still doesn't mean you're not being retaliated against. It can still be very subtle, maybe someone is icing you out, you know, or moving your office or -- there's just a number of things that employees believe fit in that clause, but it never rises to that level because of the high standard that we put on that. So I think as we're looking through this chapter a, we're going to go back and review the original wording that we had in the document to see where we lost that. And it's if it's not a good idea to bring it back. So I just wanted to go on record with that and hoping that we can get these investigations much faster

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because things fester in the organization, we lose productivity, people get depressed, they miss work, so the faster we can get that done I think that helps the city as a whole. I appreciate the opportunity to speak with you. >> Thank you. I just want to do a time check. Do we have an extra 10 minutes beyond 11:30? >> I do. >> Councilmember pool. >> Pool: So real quick two things. I was wondering based on what Ms. Guthrie was talking about, adverse impact. Maybe we can also look at the definition of adverse impact so that -- the couple of examples that Carol gave us talk about there's sort of a time component in it and then the definition being have you been harmed. So if it's only monetary, for example, but doesn't go to the things that are cultural and within the system of the culture of the city like moving your office or not being able to get

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training or you don't get to work on a plumb project or something like that then there is would be an adverse impact with regard to advancing your career. >> So we have not looked at changing those definitions. We are very supportive of aligning our definitions to the legal requirements. If cases go to eeoc, those are requirements by which they evaluate the legitimacy of what we're doing. What we tried to do to address that issue in the policy definitions is to include employee conduct. So the document doesn't allow us not to evaluate those behaviors are activities. What we try to do is define retaliation to be appropriate, which is benchmark, what most cities do is to align into law, but to also create an opportunity to include additional violations of what we identify as employee conduct to catch all of those other types of behaviors to address within the policy. So I think once we've had an opportunity to review that, I would be interested in looking at how to strengthen

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the language and employee conduct to ensure that we're watching all other types of behaviors that don't fall into the legal definition. I wouldn't be as supportive of creating a special violation of policy that is legally associated because I think it will have a negative impact on our ability to address eeoc cases that come before us relative to those areas. >> When you talk about employee conduct, are you talking about management as well as employees? >> Yes. >> Pool: Good. >> We can send you some of this language so they can see it. I'm sure as we walk through -- I don't know that would meet every concern that ascmc would present, but as we walk through the policy with them we can address the ability to strengthen the language and address issues that people perceive to be associated retaliation that doesn't meet that definition. >> And it would be helpful to see what precedents and best practices have occurred. >> Absolutely. >> The other thing I wanted to ask on page 7 you were talking about 14,000

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employee workforce and having to get training to everybody so you're moving more toward online training. And I don't necessarily have any issues with that. I mean, we have to work within the constructs that we have, but what I don't want to lose is staff led training. At some level, at some point we can layer on online training so that everybody can -- certain levels of I know we have ethics training and then I think there was something on fishing. You know, the computer said that was really important to get out to everybody really fast. It seemed to me to working with being online. But there is that special face to face, person to person interaction that is not possible when you're doing a yes or no or a multiple choice or something on your screen. And we're missing that social interaction that is important in training. So I just don't want us to move -- this

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I just don't want us to move -- this is more of a caution -- please don't move us to a place where the only kind of training we give to a city is just going to be online. >> Absolutely. Also on 10 we talk about the collaboration with the law department to create the in-person sexual harassment training. There's one piece, if I could add, we're meeting with all female employees, hrd will be doing that independent to get their information so you'll have the track where we will have face-to-face training and all sworn, that's mean, that will take place through the rfp. You'll have the online training and in-person training we'll work with the law department to create. It's a three prong approach not just a dependency on the online training. >> Pool: That's really great. I don't want to lose the word human out of human resources, I guess. Councilmember tovo. >> Tovo: Thanks very much. This is a really super-useful presentation and I'm very excited about all of the work that you're engaged in, and I just want to

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give a shout out to Ms. Guthrie for all of her work we had brought forward to prompted some of the policy changes. A couple of quick questions about some of the matrix findings and sort of how they're being addressed. As I recall, the matrix report suggested the development of an online module that was discrimination, sexual harassment, retaliation and reporting procedures, and it looks as if our module at this point is focused on sexual harassment, do you intend to do online modules about those other areas or are you going to handle those instead in face-to-face? >> No, we're doing online modules for almost all of our policies. We just recently allocated those two positions so we have two people now who do online development. So we're going through all policies. Right now that team is also working with other departments to create some immediate training. So to answer your question, yes, as a part of our ongoing process

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for training, we now have a component that addresses did I do -- I mean addressonline training. >> Tovo: Are those already available in all those areas? >> No. It was a monumental task to get sexual harassment completed. We've done fair chance hiring, I think we've put out. Am I forgetting -- secondary, we're looking at creating one. I don't know where we are in terms of breaking those modules out. We already have a face-to-face class for policy so we take everyone through all of the city policies, and those trainings are available. They're booked completely, so we've added additional classes. So we're doing the face-to-face classes, but I have to get back to you in terms of a realistic timeline of how I can have those online classes created for the individuals spaces within our policy. >> Tovo: Thank you. >> I think it'll be good once we finish chapter a and we've got a confirmed policy document to then go back and probably create a timeline for an execution of only classes. >> Tovo: Being on. That makes sense to me.

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And I think I heard you say that you're continuing to get feedback, you got feedback at the end days in May and July, and it sounded like it was sort of marching on, but did I hear you say October 2020? >> So the policies are not a part of my matrix audit so I don't have a definitive timeline. And the only reach I'm hesitant -- only reason I'm hesitant, we have not gun negotiations, they're reviewing the document now, I'm optimistic in early 2020 we will have an opportunity to do that. We have an equity review we're now doing. The equity office is working with me. There are some policies that I think have a desperate impact to certain communities. We're looking at that. I want to finish that process. We're also taking out pronouns and addressing the needs of our community. The robust level of work we're doing on this policy and number of collaborators that are

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participating really prevent me from giving you a definitive date. But I can assure you, based on where we have, we have a document that's fully drafted, taken through stakeholders at ASME. I expect that to be done through the calendar year of December, but definitely in 2020. >> Tovo: I would love to see it done earlier than October. Is that possible? Or you think it's just not really possible? >> It just isn't possible. There's just so much to go through. That book includes benefits and includes a massive amount of spaces beyond just -- >> Tovo: Beyond just this section. >> The pieces that we were participating in. And I need to give the technical writer at least a month to be able to -- it's a 55-page document. I also have chapter B I've tried to work on simultaneously which represents our sworn, so when I finish this I will literally be done with both of our city policies. >> Tovo: I see. >> I just don't want to create unrealistic expectation about that. >> Tovo: No, I appreciate that.

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That makes sense. Then I think very importantly, can you help us understand whether there's funding in our proposed budget for the third-party appeals process? It was funded -- I mean, it's been a little bit -- we had funding for it, as I understand. Let me just make sure my note is in front of me so I get this right. We had included funding, and then I think when we asked last year in the budget Q and a if it was funded, we received confirmation it was, then later that year I think there was a conversation human resources had with the auditor's office that they didn't actually have the funding to institute the third-party appeals office, so we sent the auditor's office the response to the budget question, and then the answer came back that you did have funding. So, you know, I think it's just -- I think we just really need to understand whether the funding -- what happened to the funding that was in -- I guess -- I'm not even sure if it was last

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year's or previous year's budget, and is there funding in this year's proposed budget. >> I think the diversity and what we use the third-party for is contributing to the confusion of dollars. Staff is indicating we still do have funds in our budget. I believe 50,000. What we've used that for is when we've gone out to third parties to complete investigations that we've needed to have done, we've utilized those funds for that because we could not manage that in-house. Yes, there are funds in our budget to manage, I think we're utilizing those funds for the rfp and completion of those investigations by which hrd or city manager's office requested us to have a third-party complete the investigation. But based on what we see to be costs for third parties, that's not enough money to cover if an employee in a department has concerns about the third party -- I mean with our investigation and they want a third party. So the way we're looking at it, we're not requesting any additional funds in the budget for this process. Departments will then pick up the cost if there is an investigation

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completed by their staff or our staff, based on their department, and there is a request to go to third party, what we've done thus far is have that department encompass that cost so that we are able to continue with the third party without allocating additional funds in hrd for it. >> Tovo: I guess my only concern would be how well we're making -- how well we're getting out the message to employees that that's an option to them, and we're hearing differing reports about how aware employees are. And if there's not -- if there's not funding allocated for it, I'm concerned that employees will get back the answer that there's not funding, there's not funding in their department budget for it and -- so I just -- I appreciate the response. I'll have to give some thought about whether that's the way we really want to allocate the funding for the third-party appeals. Bought if we have departments who say we don't have the money, we can't do it, that's going to discourage an employee from seeking it if he or she believes that's the best option. >> And I will share with you, and I'll look to Carol if I'm wrong,

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but I believe there has been no denial of any request, if I give you a review of the last two years, every request for a third party has been -- has been addressed and covered, and any request from a department to give a third-party investigation has been covered. Now, what I will share with you, and it speaks to what you heard from asme, right now I have to go through an entire procurement process to hire a third-party person. So that time it takes to finish the investigation, hire someone and then get them to do the work has been an extreme timeline issue. So what we have happening now, by having them all on a master agreement, it limb mates the process of having to spend that additional time and resources because we have them ready on tap, there's some competition relative, so the costing of it, which I'm limited to in my current process, so if you're going to base your concerns on what we've

actually seen happen, there has been no instance where a department has said that they don't have the funds, nor has the

[11:38:32 AM]

city not covered cost as we've needed to. >> Tovo: Okay. Thank you. >> Uh-huh. >> Alter: So first I just want to say that I want to be a part of a city government that aspires for every employee to be operating in the safe and healthy environment, free from discrimination, free from harassment, free from bullying and it's important we have these discussions on the nitty-gritty to kind of keep that in mind. And I think it's really important that senior management be expressing that to our employees and that our actions and policies support that. I appreciate the work that is illustrated in this presentation. I'm particularly pleased to see the efforts representative sexual assaults training and sworn departments, I think that is very much needed. I remain concerned about the length of time to investigation.

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You just gave one concrete thing that you're doing that addresses that to some degree with respect to the third party, but if folks feel like it's going to take six, 12 months, 18 months to get their case heard, they are not going to bring it, and it does not send a signal that city management values our employees in the way that I think they want to. So I still need more reassurance that we are addressing the length of time to investigation. I think we still need more clarity, as I think councilmember tovo was getting at, over the guidelines and the process for accessing a third-party rubrics rubrics -- third-party review, and the timing of all of that matters because of the eeoc deadlines. I'm hearing from a number of people going through the process are finding it's taking a long

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time. As part of the part of that length of time, what I haven't heard here, what are our responsibilities as employers, folks overseeing this process to communicate with the complainant about where they're at in the process and how it's moving forward. It is very disheartening to be going through this process. It's hard enough for someone to bring the complaint in the first place, but then to have crickets from the folks investigating, unless they ask and really dog them, I don't think is acceptable. So we need to have a process for communicating with folks, we need to have clarity on how you access the third party in that, and I think we do need to look at what is our threshold. We seem to be doing better on the sexual assault parts of things, but I've heard from enough employees who feel like they are in a hostile work environment who are harassed, they happen to be women, but it is not a sexual discrimination -- you know,

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sexual harassment situation, but it is in their mind a harassment situation and a hostile environment, and the current setup does not seem to be able to address the concerns. >> So I will share with you that the guidelines that we've created set 120-day timeline for all of the investigations of hrd, unless there's some circumstances that would suggest that that would be longer, which when you look at not only investigations that are done from an administrative -- even in audit investigations relative to behavior, that is a very good timeline relative to how we can complete them. I don't know exactly those you've talked to, but in the last year, let me let you know that we've implemented almost a year ago, every three weeks, any investigation that human resources, the department is completing, the employees who have filed a complaint will receive an update every three weeks to address that concern. That is also included in the draft guidelines and procedures that have been trained in all of the areas relative to that space

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as well. When I took on this position, there were some aged cases that were very complex. We've closed those age cases out, and I do recognize -- I've done an analysis on the entire investigation process to identify which spaces where we have the biggest issues. And in the guidelines that we've created, we've addressed those to the best of our ability. And so I will have the capacity to report out to the city manager where our cases are, how long the cases take, and in what spaces the cases tend to take longer. One of the other things that I've seen is that in some instances, we have collaborated with departments to complete cases, so a person from their office, a person from ours. If their person leaves and goes to the other job, the case waits until another person comes in to take over. So band width is also an issue. We try to address that of course while it seems somewhat age old, staffing. I have exactly three people who prioritize all citywide investigations as a part of the position. So certainly as we increase the

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staffing, we are able to complete those cases faster. I am holding those three accountable to very clear declines as to how quickly to say cases should be completed. But I do agree with asme that there were at least three or four aged cases for which, by the time I received them, were already incredibly aged. So walls is a closeout of those cases. I've also in the audit space closed out all cases prior to 2019 with a concerted effort to ensure moving forward, cases do not go beyond a 12-month period under any circumstances. So I don't know if those employees for which you've engaged have had recent cases, because again, these processes go one year back. So some of the concerns that you speak to are very

valid concerns that we've attempted over the last 12 months to eradicate and address to the best of our ability. >> Alter: In the interest of time, maybe we can take this offline and continue this conversation. >> Okay. >> Alter: I would also say as part of your policy review, we

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need to have some clarity of how this plays out, if a council member, council staff, or senior staff member at the acm level or above is involved in a complaint, either making the complaint or the object of the complaint, I do not believe that is covered by the policy as it is now, and that is, as a whole, and I know that that is something that ought to be addressed as we're moving forward with the policy. >> Absolutely. I think council is independent of this, and so certainly we can talk about what those procedures are I will let you know, in addition to sworn, if I have a case of anyone in a council office or city manager's office, we would immediately go to a third party or through the city attorney's office to identify someone to complete those investigations. >> Alter: And I think that needs to be written somewhere if it's not. >> Okay. >> Alter: I'm not aware that it is written in that.

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Thank you for the update, and I look forward to continuing the conversations with you on that. We don't have to take any action unless anyone wants to, it's simply an update, as I understand. Is that correct, Ms. Stokes? And the final item, I appreciate my colleagues' forbearance on these, the audit plan, did you want to present the plan? >> I can do the super short version. I think that's actually what we did last time as well, because I was looking at my notes. But basically -- I think we have slides. I'll go through them fast. But as y'all know, city code requires that I prepare an audit plan, that I bring it to this group, the audit and finance committee, allow opportunity for input. I think it says review and

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comment in the actual code language that's up here on the slide. Then as part of that, kind of talk through the proposed list of projects. A couple of caveats this year, or one caveat and one thing I just want to point out, you should all have a list of the projects in front of you or that was part of the backup. But -- Patrick, can you jump forward to slide 2? Or 3. Perfect. That one. Whatever number that is. 4. So two things, one redistricting. So this, in fiscal year 20, will be the first year since last time since the creation of 10-1 that we will do redistricting. My office has responsibilities related to initiating and publicizing a process to select a commission who basically draws new districts based on -- sensitive information that should come in sometime in 2020. That takes a chunk of our plan, and that's something we can provide more information on our responsibilities related to that, but I just wanted to flag that. The second thing that I

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wanted to flag is the cost savings initiative, number 2 on there, it's a project that as we thought about last year, we thought about things like the request for a citywide efficiency audit that went on the ballot, as well as tax caps coming, all sorts of reasons why we need to be looking a little more closely at cost and efficiency. What I'm proposing is to give us flexibility to look at the specific areas. As we were talking to council offices we were looking at things that might fall into that cost saving initiative. I don't know 100% what that would look like but I know that's an area we want to focus on. The remaining projects would really be -- projects 3-10 are kind of the large performance audits that we traditionally do. There's more information on the topics we're trying to cover in the detailed version that you have, and then the last two are ongoing follow-up, something we always do, and this is

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something that's required by code. That's really what we're proposing here today. And we're looking for comments from you, either here or coming back before we ask for approval at the September meeting, before it goes to full council. >> Alter: Thank you, colleagues. Did you have any comments? >> Alter: In my conversations with Ms. Stokes, one of the things that I was interested in were additional, sort of; revenue audits, and one of the things that came up was the hot taxes. And where we kind of landed was that that was an audit that needed to be done, but it was perhaps more appropriately done out of one of the finance offices. And I don't know, Ms. Hart, if you want to speak a little bit to some of those things and what would be in your wheelhouse, versus the

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audit department. I'm looking at some of that revenue because it looks like it's a very specific kind of auditing. I don't know when we last did the hot audit, and there may be other revenues, if you could either speak to that now or if you maybe do a deeper dive at a future meeting, but -- >> Good morning. Elaine hart, chief financial officer, deputy city manager. I would like to talk to our controller's office as well as the convention center staff to make sure that we would not have a conflict of interest in doing that type of audit. We may have to ask for a consultant to do it. But I'd like to report back at a later meeting, possibly the next meeting, or in writing to you, and talk about what we currently do in the controller's office. I just need to make sure -- >> Alter: Sure. >> -- There's an appropriate separation of duties between convention center and controller's office so if

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they were asked to do the audit work, they're independent and to adequately do it. >> Alter: And as you're doing that, if you could just reflect a little bit on any measures that we can be taking to make sure that we're bringing in the revenues that we're supposed to, given our tight budgets. >> Sure. Be glad to. >> Alter: And any changes with revenue caps, I think that's something we need to be looking at, but again, I'm not sure that that is fully under the auditor's purview, per se, is the best place for that to be happening. -- The auditor, years ago, did the hot revenue audits, not financial services staff, but we'll certainly be glad to look at how we can get those done. >> Alter: Okay. And so if we can get some information back in advance of actually voting on the audit plan. >> Okay. >> Alter: For council, in case we want to make that adjustment. >> Sure. Either it would be a memo or you want to put something on the September agenda?

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>> Alter: I think the September agenda may be too late for when we normally vote on the -- >> Okay. >> Alter: -- Audit plan or -- >> I think the recommendation for the audit plan, the recommendation from this committee is the September meeting, and then it's like October 17th, I think is what we're aiming for for the council. >> Oh, okay. >> Alter: So the September meeting would be great, and if you find it useful, we can meet before then, and if not, we'll just do it then. >> Be glad to. >> Alter: But broadly just are there other things we could be doing for revenue audits, whether it's the auditor or yours, from the financial arm of the house might be in order at this time. >> Sure. >> Alter: Great. >> Thank you. >> Alter: Thank you. So I guess we don't need to take any action today then on that if we're not voting till next time. Councilmember tovo? >> Tovo: Yeah. I mean, I likely -- it looks as if I won't be here for September, it looks as if I have a speaking engagement at the time we just

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rescheduled for, so I'll provide just a few quick comments today. The property tax -- I appreciate the topics that have been identified as -- as proposed topics. I would say number 6, the code defender's program I would say is a high priority. We did make changes and I do hear from stakeholders that they would like to see some of the changes they recommended embedded within our code. I think we've had an ongoing process of looking at the code for revisions, and I think it's time to do an audit of it, of how well our code department is responding to some of the issues that were identified. Property tax exemptions, which is listed as additional consideration, seems to be important. I appreciate that some of the projects that are identified as top priority projects are those that will help us whether -- you know, could provide some recommendations and guidance for how we weather the tax cap situation, like the cost savings initiative and some of the other topics

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identified on that first plan. The property tax exemption seems to fall within that same bucket of work for me. I've gotten recently a couple -- a couple neighbors who have indicated, you know, they see commercial short-term rentals in their neighborhood that are getting homestead exemptions, for example, so I'm interested to know -- I'm interested to take a look at those property tax exemptions. We absolutely want to see them utilized when it's appropriate and when the individual is eligible for one. In fact, we want to make sure people understand their eligibility for the property tax exemptions to which they might qualify, but we certainly want to make sure that they're applied appropriately and not in circumstances where they shouldn't be. So, h8 would appear to be one that I would like to see moving forward, moving up. And I might have some other suggestions, but that's it

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for today. >> [Off mic] >> Tovo: Well, I did wonder, yeah, about technology procurement, whether that's our highest priority. I mean, it is a resource issue and it's an important one to get our -- to get our hands around, but I don't -- I don't know that -- I don't know that I would rank that as my top priority, list of 12. >> Alter: I appreciate your raising the property tax exemption. I'll just point out that I have an item -- you maybe co-constituency, I don't sponsor, I don't remember, for seniors to make sure we're communicating to them about their tax exemptions on this agenda, but I think the issue that you raised with respect to str's and some of the things that we saw recently come before us do indicate that perhaps that would be something to look at. I'm wondering about the

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commercial property tax appraisals, and then I think I have asked the auditor to do kind of a basic overview of the overtime so that we can have a sense if that's something we want to pursue, but we'll have that information going into budget on that, but I think that's not something she needs to do a full audit on, to give the basic numbers. >> Tovo: Yeah. I regard h9 as a very high priority generally, but I think we are so limited in state law with what we can do to make those commercial tax appraisals more effective, and I didn't bump that one up in part because many of the changes we need to make those more effective are legislative ones that we've already provided direction to our staff to, you know, protect for at the capitol. And our appraisal district has, in relatively recent years, undergone a process of hiring additional staff to do what they can do to get better information, which which would impact --

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would allow them to have more accurate tax appraisals. So just because that work was done relatively recently, that's why I thought that wasn't necessarily one we needed to bump up to the first level. >> Alter: And maybe when we have our meetings, you can just share if there are some things you think might be promising leads there, or if in fact we're just so constrained by state law that there's not a lot we can do there. Ms. Pool? >> Pool: We can always bring in our governmental affairs staff and talk with them about potential changes to state legislation. >> Alter: Okay. So are there any other items that we want -- so I think we can move on from the audit. Thank you for putting this together, Ms. Stokes. The last item I think is future items for the audit and finance committee. So we have the report back on the revenue options for audits. What else is on our September agenda? >> We have -- it's actually

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quite a full agenda, I think, at this point. We have two audits, an audit of the social service subcontracting process and audit of -- of course I don't have the list right in front of me. Yes. Never mind. Oh, yeah, traffic safety, which was going to come to August, but management asked that we postpone is so they could be here, which is a good reason. And then we also -- are expected to have an executive session with two topics, one coming -- I believe y'all asked for ctm to come back and talk about information security from a prior meeting, then we also expect we will have an information and security item to present. So those four items, there's also -- oh, yes. There's also an item from economic development related to heritage grants, this is a briefing, I believe, that was requested. We may have boards and commission items, then the last thing I'm aware of is a pension update that was requested by the committee. >> Alter: So it might be good to see if we can extend that at least a half hour in

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advance. >> Certainly. >> Alter: Thank you. >> Tovo: Is heritage grants intended -- I would love to be there for the heritage grants briefing, unless it's time sensitive, I would just ask if you're making adjustments to the schedule, I would love to have that one moved to August -- I mean October. >> We can look back with the department and see if that's time-sensitive. We had actually asked when traffic moved off this agenda, we asked if they could move up. They wanted to be on the September agenda but I don't know if they can move out. >> Tovo: No problem. I don't want to delay their work. I'll just catch up with the briefing then in advance or online. >> Sure. We'll inquire. >> Tovo: I don't want to foul up the forward March of progress on that one. I just want to put out, not for an immediate meeting but I want to make the auditor aware if you aren't already, we did provide direction at Thursday's meeting that the botanical garden -- the conservancy for the botanical gardens come back in six months so if that can just be scheduled for that

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six-month -- thank you. >> Alter: There's an audit of the cultural center that's not on this list that was added by resolution of council recently. >> Yes. That's for, I think, January or February. January. But it's on the carry-over list. >> Alter: Oh, okay. Great. >> Not on the full plan. >> Alter: Great. Thank you. All right. With that, we will adjourn. It is 12 o'clock. Thank you.