



**MINUTES
FINANCE COMMISSION
REGULAR MEETING
April 30, 2018**

City Council Chamber
1 Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER – 5:30 p.m.

ROLL CALL

PRESENT: 4	Commissioner:	Reyno
	Commissioner:	Sievers
	Vice Chair:	Dressler
	Chair:	Stein
ABSENT: 1	Commissioner:	Shute

PLEDGE OF ALLEGIANCE

Commissioner Sievers led the Pledge of Allegiance.

INTRODUCTIONS

Kristin Griffith, Director of Administrative Services, introduced Barbara Messick, new Manager of Budget and Business Planning.

ANNOUNCEMENTS

There were no announcements.

PRESENTATIONS

There were no presentations.

COMMITTEE REPORTS

There were no committee reports.

ADDITIONS AND DELETIONS TO THE AGENDA

There were no additions or deletions.

PUBLIC COMMENTS

There were no public comments.

COMMISSION BUSINESS

1. MINUTES

ACTION: Moved by Vice Chair Dressler, seconded by Commissioner Sievers, and unanimously carried by those members present, to:

Approve the minutes of a regular meeting of the Finance Commission held on March 19, 2018.

2. COUNCIL CHAMBER AUDIOVISUAL BROADCAST UPGRADES AND WORKPLACE SAFETY IMPROVEMENT PROJECT

Sharon Landers, Assistant City Manager, introduced the item. Scott Smith, Deputy Director of Public Works, and Alex Salazar, Senior Project Manager, presented the report. Tom MacDuff, Senior Media Services Coordinator, was also present and answered questions.

Commission discussion included: comparison to the February 2017 report presented to City Council; capital facilities cost breakdown; the estimated useful life of the equipment; planning for and funding future replacement/rehabilitation projects; facility and equipment preventative maintenance; and the accessibility and quality of City Council meeting broadcasts and utilizing web streaming services.

RECOMMENDED ACTION: Moved by Commissioner Reyno, seconded by Commissioner Sievers, and unanimously carried by those members present, to:

Recommend that the City Council approve the creation of a Capital Improvement Program project and budget adjustment in the amount of \$3,852,000 from the Public, Educational and Government Access (PEG) fund balance to construct City Council Chamber Audiovisual Broadcast Upgrades and Workplace Safety Improvements.

3. AGREEMENT WITH AEF SYSTEMS CONSULTING, INC. FOR THE PROJECT MANAGEMENT OF RECREATION MANAGEMENT SOFTWARE IMPLEMENTATION

Jenn Starnes, Community Services Superintendent, presented the item and answered questions. Mike Cribbin, Senior Management Analyst, was also present and answered questions.

Commission discussion included: the optional scope of work in the RFP; the option for the current consultant to continue implementation; the transition plan after the next fiscal year; and the last phase of the implementation/transition plan.

ACTION: Moved by Vice Chair Dressler, seconded by Commissioner Sievers, and unanimously carried by those members present, to:

Recommend that the City Council authorize the City Manager to execute a sole source Agreement between the City of Irvine and AEF Systems Consulting, Inc. in the additional amount not to exceed \$120,000 for project management of recreation management software implementation.

4. FISCAL YEAR 2018-19 LANDSCAPE, LIGHTING AND PARK MAINTENANCE ASSESSMENT

Jennifer King, Finance Administrator, presented the item and answered questions. Jay Ponce, Senior Management Analyst, was also present and answered questions.

Commission discussion included: the last approved CPI adjustment; the impact of minimum wage increases on labor costs; utilizing unit based pricing and allocating CPI as a fixed cost; cost of services trends and projections; increased landscaping costs due to new inventory; maintaining service levels while looking at improving efficiencies; and considering investment opportunities to reduce future operational costs similar to the LED accelerated replacement and smart irrigation controllers.

RECOMMENDED ACTION: Moved by Chair Stein, seconded by Vice Chair Dressler and unanimously carried by those members present, to:

Recommend that the City Council adopt – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ANNUAL ASSESSMENTS, APPROVING THE ENGINEER'S ANNUAL LEVY REPORT AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE IRVINE LANDSCAPE, LIGHTING AND PARK MAINTENANCE ASSESSMENT, FISCAL YEAR 2018-19

5. FISCAL YEAR 2018-19 GENERAL FUND REVENUE ESTIMATES

Kristin Griffith, Director of Administrative Services, presented the item and answered questions.

Commission discussion included: the funding source for the recently approved Barclay Theatre HVAC improvements; the increase in fines and forfeitures; educating business owners to decrease false alarm fines; the next steps to recommending a change in the contingency reserve percentage; the cost recovery study; expenses related to CalPERS for retired employees; pension paydown; and property taxes.

RECOMMENDED ACTION: Moved by Commissioner Reyno, seconded by Chair Stein and unanimously carried by those members present, to:

Receive and file the General Fund revenue estimates for Fiscal Year 2018-19.

**6. FISCAL YEAR 2018-19 BUDGET
-STRATEGIC BUSINESS PLAN PRESENTATION**

Kristin Griffith, Director of Administrative Services, presented the item and answered questions. Jimmee Medina, Deputy Director of Administrative Services, was also present and answered questions.

Commission discussion included: drop off of retirement costs in 2021; identifying process improvements; electronic onboarding for new hires; and funding for long term infrastructure rehabilitation needs.

7:30 RECESS

Chair Stein recessed the meeting at 7:30 p.m.

7:37 RECONVENE

Chair Stein reconvened the meeting at 7:37 p.m.

7. FISCAL YEAR 2017-18 FEBRUARY BUDGET UPDATE

Roger Galli, Budget Officer, presented the report and was available to answer questions. Kristin Griffith, Director of Administrative Services, and Susan Wheelock, Senior Management Analyst were also present and answered questions.

Commission discussion included: the CalPERS pre-payment savings adjustment; the reason for the contract services positive variance; and a status on the general plan update.

RECOMMENDED ACTION: Moved by Vice Chair Dressler, seconded by Chair Stein and unanimously carried by those members present, to:

Receive and file the Fiscal Year 2017-18 February Budget Update.

8. STRATEGIC TECHNOLOGY PLAN 2018-2023

Khaled Tawfik, Chief Information Officer, presented the item and answered questions. Amy Roblyer, Senior Management Analyst was also present and answered questions.

Commission discussion included: the cost of the server virtualization project; annual cost savings related to completing the notable infrastructure and system projects; the reason for the carryover from the DXC contract and service improvements and fines;

citywide shared costs and special projects; funding and implementing core systems over the next few years; an update on wireless telecommunications microtowers; and disaster recovery.

RECOMMENDED ACTION: Moved by Commissioner Sievers, seconded by Vice Chair Dressler and unanimously carried by those members present, to:

Recommend the City Council receive and file the Strategic Technology Plan 2018-2023.

ADJOURNMENT

By consensus, Chair Stein adjourned the meeting at 8:22 p.m.



RUSSELL STEIN
CHAIR



KRISTIN GRIFFITH
DIRECTOR OF ADMINISTRATIVE
SERVICES



MELINDA NEUMANN
RECORDING SECRETARY

5/7/18

DATE APPROVED