



**MINUTES
FINANCE COMMISSION
REGULAR MEETING
February 5, 2018**

City Council Chamber
1 Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER – 5:31 p.m.

ROLL CALL

PRESENT: 5	Commissioner:	Dressler
	Commissioner:	Reyno
	Commissioner:	Shute
	Commissioner:	Sievers
	Chair:	Stein

PLEDGE OF ALLEGIANCE

Commissioner Shute led the Pledge of Allegiance.

INTRODUCTIONS

There were no introductions.

ANNOUNCEMENTS

There were no announcements.

PRESENTATIONS

1. FISCAL YEAR 2017-18 BUDGET SCORECARD AND STATUS REPORT OF THE CITY'S PLAN TO RETIRE ITS UNFUNDED PENSION LIABILITY

Kristin Griffith, Director of Administrative Services, provided a presentation and answered questions. Barbara Arenado, Senior Management Analyst, was also present and answered questions.

Commission discussion included: credit for online sales tax; impact of the decline in retail space square footage on retail sales; status of unfunded liability; and the distinction of CalPERS tier 1 and 2 based on employee hire date.

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.

REORGANIZATION OF THE FINANCE COMMISSION

- 1) Kristin Griffith, Director of Administrative Services, declared the nominations open for Chairperson and called for the Commission vote.

ACTION: Moved by Commissioner Sievers to nominate Commissioner Stein as Chairperson of the Finance Commission, seconded by Commissioner Dressler, and unanimously carried.

- 2) Newly elected Chair Stein declared nominations open for Vice Chair and called for the Commission vote.

ACTION: Moved by Chair Stein to nominate Commissioner Dressler as Vice Chair of the Finance Commission, seconded by Commissioner Sievers, and unanimously carried.

- 3) Selection of Finance Commission representative to City Committee: Newly elected Chair Stein declared nominations open for a representative to the City's Investment Advisory Committee and called for the Commission vote.

ACTION: Moved by Chair Stein to nominate Commissioner Sievers as representative to the Investment Advisory Committee, seconded by Commissioner Shute, and unanimously carried.

RECESS THE FINANCE COMMISSION MEETING TO THE IRVINE PUBLIC FACILITIES CORPORATION ANNUAL MEETING

Chair Stein recessed the Finance Commission meeting at 5:50 p.m.

RECONVENE THE FINANCE COMMISSION MEETING

Chair Stein reconvened the Finance Commission meeting at 5:54 p.m.

CONSENT CALENDAR

ACTION: Moved by Commissioner Sievers, seconded by Vice Chair Dressler, and unanimously carried to approve Consent Calendar Items 1 and 2.

2. MINUTES

Approved the minutes of a regular meeting of the Finance Commission held on December 18, 2017.

3. FISCAL YEAR 2017-18 NOVEMBER BUDGET UPDATE

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

COMMISSION BUSINESS

4. FISCAL YEAR 2017-18 DECEMBER BUDGET UPDATE

Roger Galli, Finance Officer, presented the item and answered questions. Kristin Griffith, Director of Administrative Services, was also present and answered questions.

Commission discussion included: the percentage of documentary transfer tax paid to the City; December sales tax true-up; CalPERS prepayment savings; forecasting positive variance for expenditures; and the distribution of online sales tax.

RECOMMENDED ACTION: Moved by Vice Chair Dressler, seconded by Commissioner Reyno, and unanimously carried to:

Received and filed the Fiscal Year 2017-18 December Budget Update.

5. CITYWIDE INFORMATION TECHNOLOGY SERVICES CONTRACT STATUS UPDATE

Khaled Tawfik, Chief Information Officer, presented the item and answered questions.

Commission discussion included: the reason for DXC's vacancies; assessment of penalty payments as of December 2017; releasing the Request for Proposals for IT services earlier; the challenges of obtaining and retaining qualified in-house IT staff; and the timeline to complete the transition to a new vendor.

ACTION: Moved by Chair Stein, seconded by Vice Chair Dressler to:

Recommend the City Council direct staff to prepare a request for proposals for IT services and continue to monitor the performance of DXC as the company transitions to a new structure and ownership. Release the RFP if DXC does not demonstrate acceptable performance on all contract levels by the end of June 2018.

Amended as follows:

Release the RFP prior to June 30, rather than in June, if DXC does not demonstrate acceptable performance on all contract levels.

The motion carried as follows:

AYES:	4	COMMISSIONERS:	Dressler, Reyno, Shute, Stein
NOES:	1	COMMISSIONERS:	Sievers
ABSENT:	0	COMMISSIONERS:	None
ABSTAIN:	0	COMMISSIONERS:	None

6. iSHUTTLE INTERIM VEHICLE PROCUREMENT TO ADDRESS CAPACITY SHORTAGE

Mike Davis, Transit Programs Administrator, presented the item and answered questions.

Commission discussion included: the estimated useful life of the buses currently in use and their residual values; OCTA's responsibility for maintaining the vehicles; additional costs to prepare the five vehicles for use; and the legal requirements for the number of spare buses required on hand.

ACTION: Moved by Commissioner Reyno, seconded by Commissioner Sievers, and unanimously carried to:

- 1) Recommend that the City Council approve the acquisition of five used 29-passenger compressed natural gas buses to augment iShuttle service.
- 2) Recommend that the City Council authorize the Director of Transportation to execute Memorandum(s) of Understanding, as necessary, to facilitate interim transit services with Orange County Transportation Authority (OCTA) to operate the acquired vehicles.

7. IRVINE STATION BICYCLE LOCKER FEE CHANGE PILOT PROGRAM

Mike Davis, Transit Programs Administrator, presented the item and answered questions.

Commission discussion included: the cost of the bike lockers and their useful life.

ACTION: Moved by Commissioner Reyno, seconded by Commissioner Shute, and unanimously carried to:

Recommend City Council adopt the Irvine Station Bicycle Locker Pilot Program and revised fee structure.

ADJOURNMENT

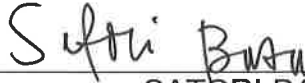
By consensus, Chair Stein adjourned the meeting at 7:00 p.m.



RUSSELL STEIN
CHAIR



KRISTIN GRIFFITH
DIRECTOR OF ADMINISTRATIVE
SERVICES



SATORI BASA
RECORDING SECRETARY



DATE APPROVED