

*Authorize an increase in the Chief Procurement Officer's signature authority for contracts that fall under City Code 5.33, 5.34 and 5.68 as a pilot process to expedite City contracts (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. During the past two years the State of Oregon as well as the City of Portland has experienced an economic upturn which has significantly increased the demand for City services.
2. City of Portland voters have recently approved several new infrastructure funding sources and bureaus have a significant need to demonstrate responsiveness to the voters by moving forward as quickly as possible with projects identified as having the most immediate impacts.
3. Utility bureaus supported through rates and charges have received clear communication from their constituents/customers and this City Council that the pace of replacing and improving their aging systems must dramatically increase.
4. This increased demand translates to a spending increase of approximately \$20 million in each of the next 2 years and up to \$40 million in each of the following 5 years. This increase is in addition to traditional City spending activity.
5. City Council has not re-vamped or adjusted signature authority for the Chief Procurement Officer since 1998. All other jurisdictions in the metro area have adjusted signature authority multiple times in the intervening decades to accommodate inflationary increases as well as increased workload on administrative agencies tasked with providing services in a timely fashion.
6. The Office of Management and Finance, Bureau of Revenue and Financial Services, Procurement Services Division, and many City bureaus have identified an increase in signature authority for the Chief Procurement Officer as a process improvement for expediting contracts.

NOW, THEREFORE, the Council directs:

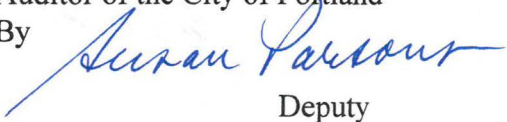
- a. The Chief Procurement Officer may solicit for and execute Public Improvement and Construction Services contracts that do not exceed \$1 million on behalf of the City subject to receiving a written recommendation from the Bureau initiating the project.
- b. The Chief Procurement Officer may solicit for and execute Goods and Services contracts that do not exceed \$1 million on behalf of the City subject to receiving a recommendation from the Bureau initiating the project.
- c. The Chief Procurement Officer may solicit for and execute Goods and Services Price Agreements for the purchase or lease of Goods and Services, including revenue producing service, if the yearly estimated cost to the City, or the yearly estimated revenue of value is \$1 million or less.
- d. The Chief Procurement Officer may execute Professional, Technical and Expert Services contracts that do not exceed \$500,000.
- e. The Chief Procurement Officer may execute Professional, Technical and Expert Services Price Agreements, if the yearly estimated cost to the City is \$500,000 or less.
- f. Notwithstanding the granting of authority above, if the Chief Procurement Officer believes that a contract should be considered by the City Council, the Chief Procurement Officer may forward the proposed contract to the City Council for approval.

- g. The Chief Procurement Officer shall continue to follow all applicable City procurement codes and requirements.
- h. The increase in signature authority has been identified as a process efficiency and as a partial solution for expediting contracts. The Office of Management and Finance and the Bureau of Revenue and Financial Services recommends a pilot process to run through December 2018 allowing for faster execution of contracts with the intent to continue a fair, accountable, transparent and legal process.
- i. The Chief Procurement Officer shall provide a report at the end of the pilot period containing anecdotal as well as statistical information on contracts and Price Agreements awarded during this pilot phase.
- j. The Chief Procurement Officer's report will be presented to the City Council and will be the basis for either making permanent the changes in signature authority authorized by this Ordinance or reverting back to those limits previously approved by the City Council.

Section 2. The Council declares that an emergency exists in order to begin immediate implementation of signature authority in order to realize the identified efficiencies in City contracting. Therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: JUL 20 2017
Mayor Ted Wheeler
Prepared by: c. moody
Date Prepared: 6/7/17

Mary Hull Caballero
Auditor of the City of Portland
By


Deputy

18527

838

Agenda No. **188527**
ORDINANCE NO.
 Title

*Authorize an increase in the Chief Procurement Officer's signature authority for contracts that fall under City Code 5.33, 5.34 and 5.68 as a pilot process to expedite City contracts (Ordinance)

INTRODUCED BY Commissioner/Auditor: Mayor Ted Wheeler	CLERK USE: DATE FILED <u>JUL 11 2017</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Wheeler <i>pc</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety -Eudaly <i>Calder</i>	Mary Hull Caballero Auditor of the City of Portland By: <u><i>Susan Parsons</i></u> Deputy ACTION TAKEN:
BUREAU APPROVAL Bureau: OMF BRFS/Procurement Bureau Head: Ken Rust <i>KLR</i> OMF CAO: Tom Rinehart <i>KLR</i> <i>TR</i>	
Prepared by: Larry Pelatt Date Prepared: June 28, 2017	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
City Auditor Office Approval: required for Code Ordinances	
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter	
Council Meeting Date: July 19, 2017 <i>July 19th, 2017</i>	

AGENDA TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 10 minutes (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz <i>_____</i>	
2. Fish <i>Susan NF</i>	2. Fish <i>✓</i>	
3. Saltzman <i>BS/SC</i>	3. Saltzman <i>✓</i>	
4. Eudaly <i>Calder</i>	4. Eudaly <i>✓</i>	
Wheeler <i>cc</i>	Wheeler <i>✓</i>	