

Direct Services Pilot Program Criteria**Definition:**

The Direct Services Contract (DSC) Pilot Program is designed to test the ability of the City to maximize opportunities for qualified M/W/ESBs to obtain work as a prime contractor for work that otherwise might be awarded as part of a larger project. Direct Service Contracts are, by definition, informal construction contracts. The type of work to be included in a DSC will not be restricted to any specific work types during the Pilot Project Phase.

Applicant Eligibility and Process

- The application process is open to any firm certified by the State OMWESB Office as a DBE, MBE, WBE or ESB. Certified firms, however, will be subject to an Application Process (see below).
- Participation in the DCS Pilot Program is dependent on application and acceptance in the Sheltered Market Program apply to the DCS Pilot Program.

Responsibility of Participating Contractor:

- Program is intended to be a developmental experience. Participants will be held responsible for submitting bids and participating, to the extent needed, in the technical assistance opportunities offered. (Participation in the Port Mentor Program may substitute for requirement.)
- Participants will be responsible for performing and completing work in a responsible manner.

Responsibility of the City of Portland

- A minimum of five - ten construction projects will include a DCS component during the time frame of September 1997 through March 1998. Selection of construction projects to include a DCS component will be made by the bureau in cooperation with the Contractor Development Division. Selection criteria to be evaluated may include, but not be limited to, the availability of contractors by work class accepted into the Program, divisions of work included in the project, and timing of DCS as part of the larger project.
- Development of specifications/contract provisions that adequately inform both the DCS and Prime Contractor about their respective responsibilities.
- Following completion of each DCS Contract, the Contractor Development Division will be responsible for coordinating evaluation of the contracting opportunity, including input from the Prime Contractor, DCS Contractor, bureau and other affected parties. A recommendation, based on the Pilot Program, is expected to be provided to Council no later than April 1998.

RESOLUTION No. 35638

Authorize implementation of Direct Services Pilot Program (Resolution)

WHEREAS, the Oregon Regional Consortium Disparity Study, prepared by Mason Tillman Associates, Ltd , reviewed, among other things, the City's public contracting methods for construction contracts to determine whether these processes were affected by race or gender discrimination, and

WHEREAS, one of the public contracting methods employed by the City is the "informal" bidding process This process, authorized by Portland voters in 1978, permits the City to award some contracts without formal competitive bidding and public advertisement so long as competitive price quotations are obtained from different sources The informal process saves the City money in situations where costs of formal advertisement, contract specification preparation and bid opening would exceed any savings that might result from formal bidding, and

WHEREAS, the Study noted that contracts awarded pursuant to the City's "informal" method are more accessible to M/W/ESBs because of their size and relaxed bonding requirements and offer unique opportunities to develop the capacity of M/W/ESBs, and

WHEREAS, the Study recommended that the City closely examine the "informal" method to ensure that M/W/ESBs were given opportunities to compete on contracts awarded by this method, and

WHEREAS, the Study recommended that the City consider reducing the size of the contracts that it awarded into a series of smaller prime contracts, and

WHEREAS, the Study recommended that the City create direct services agreements, which means that the City would enter into a prime contract for work that otherwise might be awarded as a part of a larger project, and

WHEREAS, it is the intent of the Council to begin a pilot program to determine if such direct services contracts can be successfully used by the City for contracts pursuant to the "informal" purchasing method, and

WHEREAS, the pilot program should be coordinated by the Contractor Development Division of the Bureau of Purchases and that such contracts be approved as to form by the City Attorney's Office, and

WHEREAS, the pilot program was considered and preliminary development approved by the Fair Contracting and Employment Strategy in February of 1997

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland, Oregon, that
Bureaus in the City of Portland shall participate in a Direct Services Pilot Program based
on criteria established in Exhibit A

Adopted by Council, **AUG 20 1997**
Mayor Vera Katz
VanDyke/Wessel br
August 14, 1997

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Barbara Clark
Auditor of the City of Portland
By


Deputy

1268

Agenda No

RESOLUTION NO 35638

Title

Authorize implementation of Direct Services Pilot Program (Resolution)

INTRODUCED BY	Filed	AUG 15 1997
Mayor Vera Katz	Barbara Clark Auditor of the City of Portland	
NOTED BY COMMISSIONER		
Affairs		
Finance and Administration <i>uk JLS</i>	By	<i>Britta Olson</i> Deputy
Safety		
Utilities	For Meeting of _____	
Works	ACTION TAKEN	
BUREAU APPROVAL		
Bureau <i>SLIC</i>		
Prepared by <i>WD</i> JVDyke br Date Aug 14, 1997 atjvd wrk/direct/resolve wpd		
Budget Impact Review		
___ Completed ___ Not Required		
Bureau Head		

Agenda		Four Fifths Agenda	Commissioners voted as follows		
Consent	Regular <i>X</i>			YEAS	NAYS
NOTED BY		Francesconi	Francesconi	✓	
City Attorney <i>MW</i>		Hales	Hales	✓	
City Auditor		Kafoury	Kafoury	✓	
City Engineer		Sten	Sten	✓	
		Katz	Katz	✓	