

City of Portland, Oregon

**FINANCIAL IMPACT STATEMENT  
For Council Action Items**

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator CHRISTINE MOODY, CPO		2. Telephone No. 503.823.1095	3. Bureau/Office/Dept. Bureau of Internal Business Services, Procurement Services
4a. To be filed (date) 5/27/2010	4b. Calendar (Check One) Regular      Consent      4/5ths <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst:

**1) Legislation Title:**

\*Authorize continuation of the Chief Procurement Officer's signature authority for construction projects up to \$5,000,000.00 through June 30, 2011 (Ordinance)

**2) Purpose of the Proposed Legislation:**

In an effort to address the current recession and economic downturn, this Ordinance will authorize an increase to the Chief Procurement Officer's signature authority for construction projects up to \$5,000,000.00. This will allow for quicker implementation of the projects while retaining a fair, accountable, transparent and legal process.

**3) Revenue:**

**Will this legislation generate or reduce current or future revenue coming to the City?** This legislation will not generate or reduce current or future city revenue

**4) Expense:**

**What are the costs to the City as a result of this legislation? What is the source of funding for the expense?** No costs associated with this legislation.

**Staffing Requirements:**

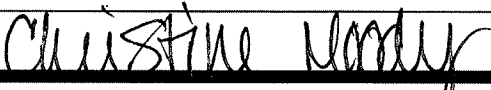
**5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** No

**6) Will positions be created or eliminated in future years as a result of this legislation?** No

*Complete the following section only if an amendment to the budget is proposed.*

**7) Change in Appropriations:** None

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Amount

Christine Moody, CPO   
 APPROPRIATION UNIT HEAD (Typed name and signature)



# CITY OF PORTLAND

OFFICE OF MANAGEMENT AND FINANCE

Sam Adams, Mayor  
Kenneth L. Rust, Chief Administrative Officer  
Jeffrey B. Baer, Director, Bureau of Internal Business Services

Christine Moody  
Chief Procurement Officer  
Procurement Services  
1120 S.W. Fifth Avenue, Rm. 750  
Portland, Oregon 97204-1912  
(503) 823-5047  
FAX (503) 823-6865  
TTY (503) 823-6868

DATE: May 7, 2010

TO: Mayor Sam Adams

FROM: Christine Moody *CM*

RE: \*Authorize continuation of the Chief Procurement Officer's signature authority for construction projects up to \$5,000,000.00 through June 30, 2011 (Ordinance)

**FOR MAYOR'S OFFICE USE  
ONLY**

Reviewed by Bureau Liaison \_\_\_\_\_

1. INTENDED THURSDAY FILING DATE: **May 27, 2010**
2. REQUESTED COUNCIL AGENDA DATE: **June 2, 2010**
3. CONTACT NAME & NUMBER: **Christine Moody ~ 823-1095**
4. PLACE ON:  CONSENT  REGULAR
5. BUDGET IMPACT STATEMENT ATTACHED:  Yes  No  N/A
6. THREE (3) ORIGINALS OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:  Yes  No  N/A

7. **BACKGROUND/ANALYSIS:**

During the past two years, the State of Oregon (State), as well as the nation, has undergone an economic downturn. In May 2009 the City Council authorized Ordinance No.182809 in response to the current recession and economic downturn that has severely affected the State and the Portland metropolitan area. As a result of the current economic conditions, the City of Portland has determined that expenditures authorized by federal, state and local authorities need to be expedited more quickly than the traditional procurement process allows. This legislation will allow for quicker implementation of construction projects while retaining a fair, accountable, transparent and legal process.

Legal issues - none known

Controversial issues - none known

Citizen participation - none

Link to current city policies - none

Other governmental participation - none

8. **FINANCIAL IMPACT:**

This legislation will have no financial impact to the City.

9. **RECOMMENDATION/ACTION REQUIRED:**

Authorize continuation of the Chief Procurement Officer's signature authority for construction projects up to \$5,000,000.00 through June 30, 2011.

*An Equal Opportunity Employer*

*To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.*

## **ORDINANCE No.**

\*Authorize continuation of the Chief Procurement Officer's signature authority for certain construction projects up to \$5,000,000 through June 30, 2011 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. During the past two years, the State of Oregon (State), as well as the nation, has undergone an economic downturn reflected by the collapse of the subprime mortgage market, the resulting credit crunch in which individuals and businesses were unable to obtain money for loans, the significant devaluation of residential and commercial properties and a significant increase in unemployment.
2. In February 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009, and the Governor of Oregon signed SB 338 to assist with the State's "stimulus efforts". To address these and other severe economic situations, the City Council (Council) authorized Ordinance No. 182809 in May 2009 in response to the current recession and economic downturn that has severely affected the nation, the State and the Portland metropolitan area.
3. As a result of the current economic conditions, the City of Portland (City) has determined that the expenditures authorized by federal, state and local authorities need to be expedited more quickly than the traditional procurement process allows.
4. The City has established a Local Construction Task Force, a subset of the Fair Contracting Forum to assist the Bureau of Internal Business Services, Procurement Services division in identifying an expedited contracting process.
5. Continuing the delegation of authority granted under Ordinance No. 182809 will allow for quicker implementation of the projects while retaining a fair, accountable, transparent and legal process. The City's use of minority, women, and emerging small businesses (M/W/ESB) at a prime and subcontractor level, will be maximized to the greatest extent practicable.
7. Due to the important nature of the projects and the immediate need to begin these projects, Council finds it necessary to temporarily delegate contract execution authority to the City's Chief Procurement Officer (CPO) for procurement of construction services, not exceeding \$5 million.
8. The CPO shall be guided by PCC 5.34 (construction and construction services) in making these awards.

NOW, THEREFORE, the Council directs:

- a. The CPO may execute construction contracts that do not exceed \$5 million, on behalf of the City and subject to receiving a written recommendation from the Director of the Bureau initiating the project.
- b. The CPO shall provide a monthly status report to City Council on contracts between \$500,000.00 and \$5,000,000.00 that have been awarded in the previous 30 days. The monthly status reports will include project information related to start dates, completion dates, amount of the original contract, M/W/ESB contracting percentages, the estimated number of labor hours by workers under each contract, and the average wages to be paid to workers under each contract.
- c. The increased level of signature authority granted to the CPO shall automatically sunset on June 30, 2011 unless the City Council votes to extend the duration of the authority granted in this Ordinance.
- d. Notwithstanding the granting of authority above, if the CPO believes that a contract should be considered by the City Council, the CPO may forward the proposed contract to the City Council for approval.

Section 2. The Council declares that an emergency exists in order to continue the delegated signature authority for 2010 – 2011 construction projects; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council:

**LaVonne Griffin-Valade**  
Auditor of the City of Portland  
By /s/ Susan Parsons

Mayor Sam Adams  
Bureau of Internal Business Services  
Prepared By: Christine Moody:ms  
Date Prepared: April 12, 2010

Deputy

807 857

100

Agenda No.  
**ORDINANCE NO.**  
Title

*Certain*

\*Authorize continuation of the Chief Procurement Officer's signature authority for construction projects up to \$5,000,000.00 through June 30, 2011 (Ordinance)

<p><b>INTRODUCED BY</b> Commissioner/Auditor: <b>Mayor Sam Adams</b></p> <p><b>COMMISSIONER APPROVAL</b> <i>SA</i></p> <p>Mayor—Finance and Administration - Adams</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p> <p><b>BUREAU APPROVAL</b></p> <p>Bureau: Internal Business Services - Procurement Services Bureau Head: Christine Moody <i>CM</i></p> <p>Prepared by: Christine Moody/ms Date Prepared: 5/7/2010</p> <p>Financial Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Not Required <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Council Meeting Date <b>June 2, 2010</b></p> <p><b>City Attorney Approval</b> <i>SA</i></p>	<p>CLERK USE: DATE FILED <u>MAY 27 2010</u></p> <p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <i>Susan Parsons</i> Deputy</p> <p><b>ACTION TAKEN:</b> JUN 02 2010 <i>Rescheduled to JUN 09 2010 9:30 A.M.</i> JUN 09 2010 <i>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</i></p>
--	--

<b>AGENDA</b>
<p><b>TIME CERTAIN</b> <input type="checkbox"/></p> <p>Start time: _____</p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>
<p><b>CONSENT</b> <input type="checkbox"/></p>
<p><b>REGULAR</b> <input checked="" type="checkbox"/></p> <p>Total amount of time needed: <b>15-minutes</b> (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz	
2. Fish	<b>2.</b> Fish	
3. Saltzman	3. Saltzman	
4. Leonard	4. Leonard	
Adams	Adams	