

Portland, Oregon

## FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to City Budget Office. Retain copy.)

|   |   |   |
|---|---|---|
| 1. Name of Initiator<br><b>Christine Moody</b>  | 2. Telephone No.<br><b>823.1095</b>   | 3. OMF – Bureau of<br>Internal Business<br>Services                         |
| 4a. To be filed (hearing date):<br><b>February 20, 2013</b>   | 4b. Calendar (Check One)<br><br>Regular    Consent    4/5ths<br><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> | 5. Date Submitted to<br>Commissioner's office<br>and CBO Budget<br>Analyst: |
| 6a. Financial Impact Section:<br><input checked="" type="checkbox"/> Financial impact section completed | 6b. Public Involvement Section:<br><input checked="" type="checkbox"/> Public involvement section completed   |   |

**1) Legislation Title:**

\*Establish Exemptions for the Prime Contractor Development Program (Ordinance)

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

Allow competitive bidding for the City's Public Improvement contracts, valued between the State of Oregon's intermediate procurement range of \$100,000 and \$350,000 and allow the adoption of the Prime Contractor Development Program. This new program is intended to achieve lower prices, establish economic growth in the Portland community and remedy the findings of the 2009 Disparity Study Report.

**3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |  |                                    |                                    |                                |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast             | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City                  |                                    |                                    |                                |

**FINANCIAL IMPACT****4) Revenue:** Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

No revenue will be generated with this legislation.

**5) Expense:** What are the costs to the City as a result of this legislation? What is the source of funding for the expense? No direct costs from this legislation, however additional ongoing funding is being requested through the FY 12/13 budget process in order to establish the Prime Contractor Development Program as adopted by Resolution 36944.

**6) Staffing Requirements:**

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** No positions will be affected by this legislation.
- **Will positions be created or eliminated in *future years* as a result of this legislation?** No positions will be created or eliminated in the future as a result of this legislation.

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

**7) Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

| <b>Fund</b> | <b>Fund Center</b> | <b>Commitment Item</b> | <b>Functional Area</b> | <b>Funded Program</b> | <b>Grant</b> | <b>Sponsored Program</b> | <b>Amount</b> |
|-------------|--------------------|------------------------|------------------------|-----------------------|--------------|--------------------------|---------------|
|             |                    |                        |                        |                       |              |                          |               |
|             |                    |                        |                        |                       |              |                          |               |
|             |                    |                        |                        |                       |              |                          |               |
|             |                    |                        |                        |                       |              |                          |               |

**[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]**

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

YES: Please proceed to Question #9.

NO: Please, explain why below; and proceed to Question #10.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item? Foster competition within the minority, women and emerging small business community.


b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved? August 2011 – June 2012, over 40 meetings were convened with over 85 diverse participants including contractors, consultants, representatives from a variety of community and professional organizations City and PDC staff..

c) How did public involvement shape the outcome of this Council item? The Prime Contractor Development Program(PCDP) is a direct result from community recommendations.

d) Who designed and implemented the public involvement related to this Council item? The Fair Contracting Forum and Procurement Services staff.

e) Primary contact for more information on this public involvement process (name, title, phone, email): Christine Moody, 503-823-1095,  
[christine.moody@portlandoregon.gov](mailto:christine.moody@portlandoregon.gov)

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not. Ongoing feedback will be sought from the community on the PCDP.



Bryant Enge, Director, Bureau of Internal Services (Typed name and signature)



# CITY OF PORTLAND

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Christine Moody  
Chief Procurement Officer  
Procurement Services

OFFICE OF MANAGEMENT AND FINANCE

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Charlie Hales, Mayor

Jack D. Graham, Chief Administrative Officer

Bryant Enge, Director, Bureau of Internal Business Services

**FOR MAYOR'S OFFICE USE  
ONLY**

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

DATE: February 7, 2013

TO: Mayor Charlie Hales *CM*

FROM: Christine Moody

RE: \*Establish Exemptions for the Prime Contractor Development Program (Ordinance)

1. **INTENDED THURSDAY FILING DATE:** February 14, 2013
2. **REQUESTED COUNCIL AGENDA DATE:** February 20, 2013
3. **CONTACT NAME & NUMBER:** Christine Moody ~ 823-1095
4. **PLACE ON:**  CONSENT  REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:**  Yes  No  N/A
6. **ONE (1) ORIGINALS OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:**  Yes  No  N/A

7. **BACKGROUND/ANALYSIS:**

The Portland Plan, adopted by Resolution 36918, includes a Framework for Equity to guide plan implementation and improve City operational and business practices, support actions that promote accountability, close disparity gaps and increase community engagement in civic activities. The City of Portland Disparity Study Report, adopted by Resolution 36868, 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. Additionally, the 2009 Disparity Study found there was evidence of disparities in the utilization of minority and women as prime contractors on City construction contracts

The Disparity Study Report directed a number of recommendations to the City, including the need to continue a program similar to the City's Sheltered Market Program which would provide prime contracting opportunities for state certified developing firms to work directly with the City. The new Prime Contractor Development Program (PCDP) was described in the Social Equity Contracting Strategy, adopted by Resolution 36944 on July 19, 2012. This new program is intended to achieve lower prices, establish economic growth in the Portland community and remedy the findings found in the Disparity Study Report. Oregon Revised Statute 279A.100 provides that the State Public Contracting Code may not be construed to prohibit the City from engaging in public contracting practices designed to promote affirmative action goals, policies or programs. Therefore, the City's public construction contracting may adopt the Prime Contractor Development Program.

**Legal issues** - none known

**Controversial issues** - none known

**Citizen participation** – over 40 meetings were convened with over 85 diverse participants including contractors, consultants, representatives from a variety of community and professional organizations that developed recommendations for the PCDP among other contracting program recommendations

**Link to current city policies** – the Portland Plan and Social Equity Contracting Strategy

**Other governmental participation** – PDC

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*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.*

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8. **FINANCIAL IMPACT:**

This legislation will have no financial impact.

9. **RECOMMENDATION/ACTION REQUIRED:**

Establish exemptions for the Prime Contractor Development Program.