



# City Contract Discussion (Resolution 16-009)

FINANCE DEPARTMENT

APRIL 5, 2021

# Contracting – General Principles for Cities

(MRSC 5/27/15)



- ▶ Authority to contract – is the City Council
- ▶ Approval of every purchase?
  - ▶ No impractical for day-to-day tasks such as routine contracts, budget approved contracts, services or work.
  - ▶ Delegation of some contract authority to City Administration
- ▶ Delegation is done by ordinance or resolution and usually has thresholds of size
- ▶ Once Council approves a contract it is signed by the Mayor or delegate.
- ▶ Mayor or delegate cannot “veto” by not signing



## Resolution 16-009 Establishing thresholds and delegation of contracting and agreements

Delegated authority to the Mayor or  
designee

Directed the Finance Director to  
establish and administer the policies  
and procedures for contracting,  
agreements, and purchasing to  
ensure compliance

- ▶ Professional Service Contracts and Agreements
- ▶ Maintenance/Service Contracts
- ▶ Lease Agreements
- ▶ Public Works Projects



## Professional Service Contracts and Agreements

### **2020 Contract and Agreement Examples:**

Standard and Poor's Rating Services

Halverson Intergovernmental Services

HR Consulting Test Rental and Use Agreement

TDJ Accounting Services

Columbia West Engineering Services for NE 22<sup>nd</sup> Ave Improvements

- ▶ Includes architectural, engineering, legal and consulting services
- ▶ Current threshold of \$50,000 or less



## Maintenance and Service Contracts

### **2020 Contract and Agreement Examples:**

Watercraft Concessions

Carpet Cleaning Services

Custodial Services

Goot Park Restroom Door Repair

Wellhouse Panic Device Repair

- ▶ Nonprofessional services involving a cost or fee
- ▶ Threshold of \$50,000 or less



## Lease Agreements

### **2020 Contract and Agreement Examples:**

Ricoh contract for copier

Rental contract with Leadbetter house

Rental of Community Center

Rental of GP parking lot

Municode subscription service

- ▶ For materials, supplies and equipment
- ▶ Threshold of \$50,000 or less



## Public Works Projects Small Works Roster

### **2020 Contract and Agreement Examples:**

HVAC repairs  
Lightning maintenance  
WWTP fan repair  
Courthouse electrical work  
Street light repairs

- ▶ Single trade involving expenditures of less than \$100,000
- ▶ Small Works Roster Projects with multiple trades involving expenditures of less than \$150,000





## Public Works Projects Capital and Major Maintenance

### **2020 Contract and Agreement Examples:**

City-wide Slurry Seal Project

Rose Property Agreement

Lacamas Lake Dam Condition  
Assessment

NE 3<sup>rd</sup> Ave Bridge Seismic Retrofit

- ▶ Council approves
- ▶ Change orders up to 10% approved by Mayor or designee



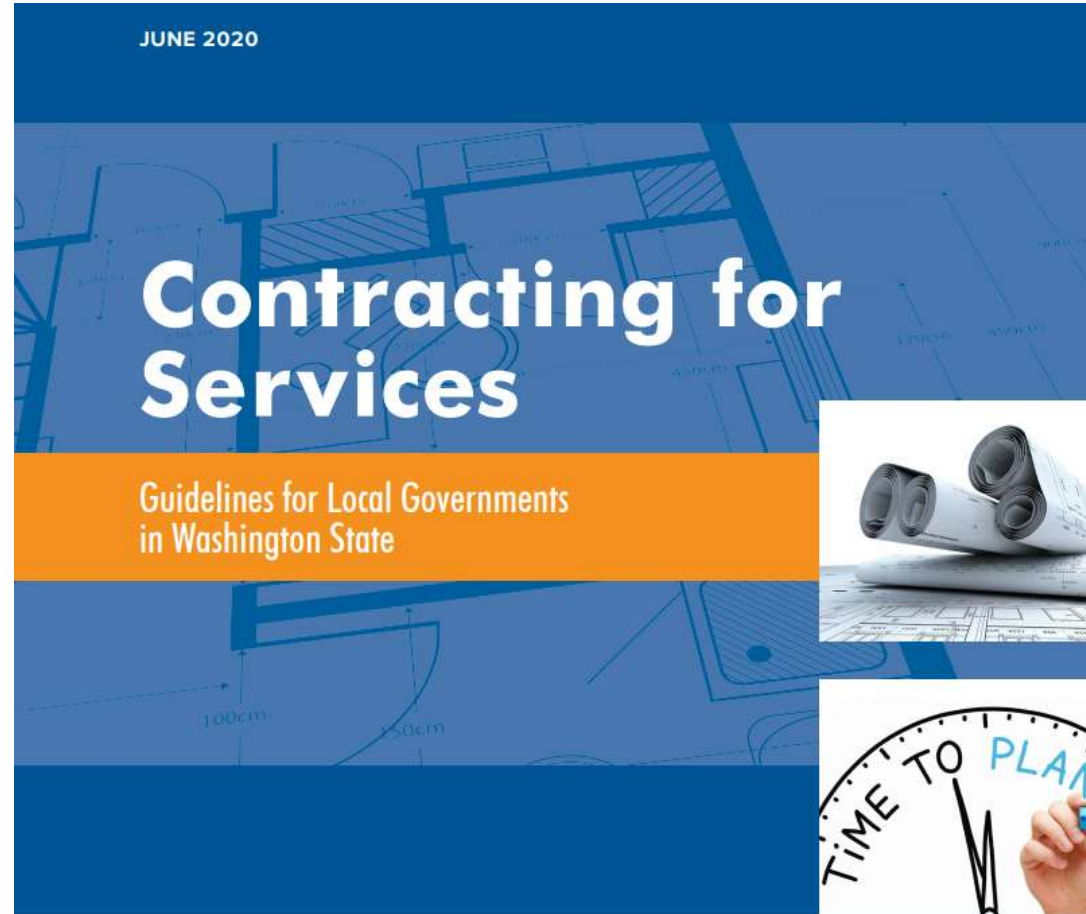


# Considerations

# MRSC – Contracting for Services

Provides guidelines for best practices in the contracting process.

<http://mrsc.org/getmedia/a79caaa4-f96f-4f2b-8a5f-5e0f4afe3bde/Contracting-For-Services.pdf.aspx?ext=.pdf>

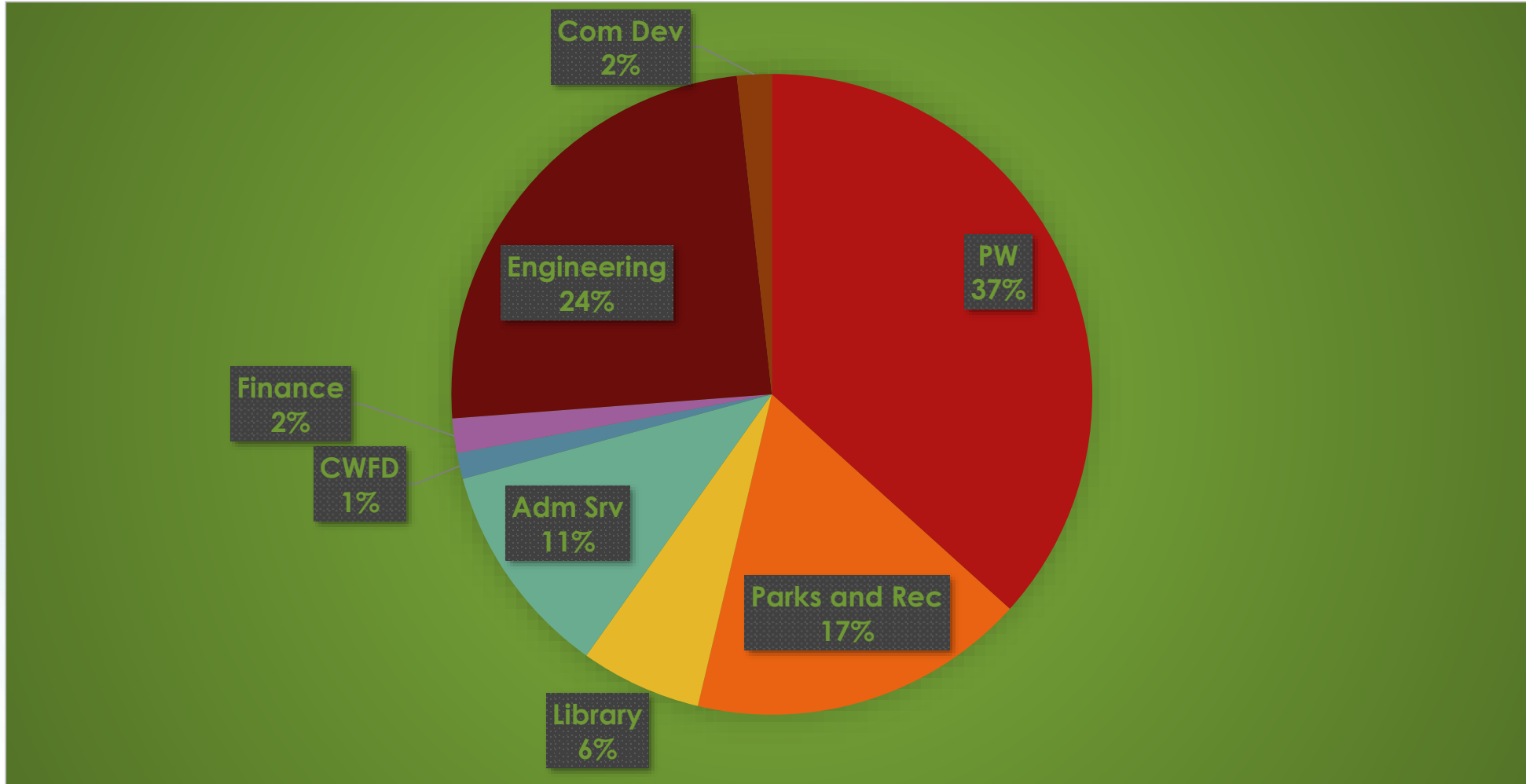


# Current Oversight of Contracts

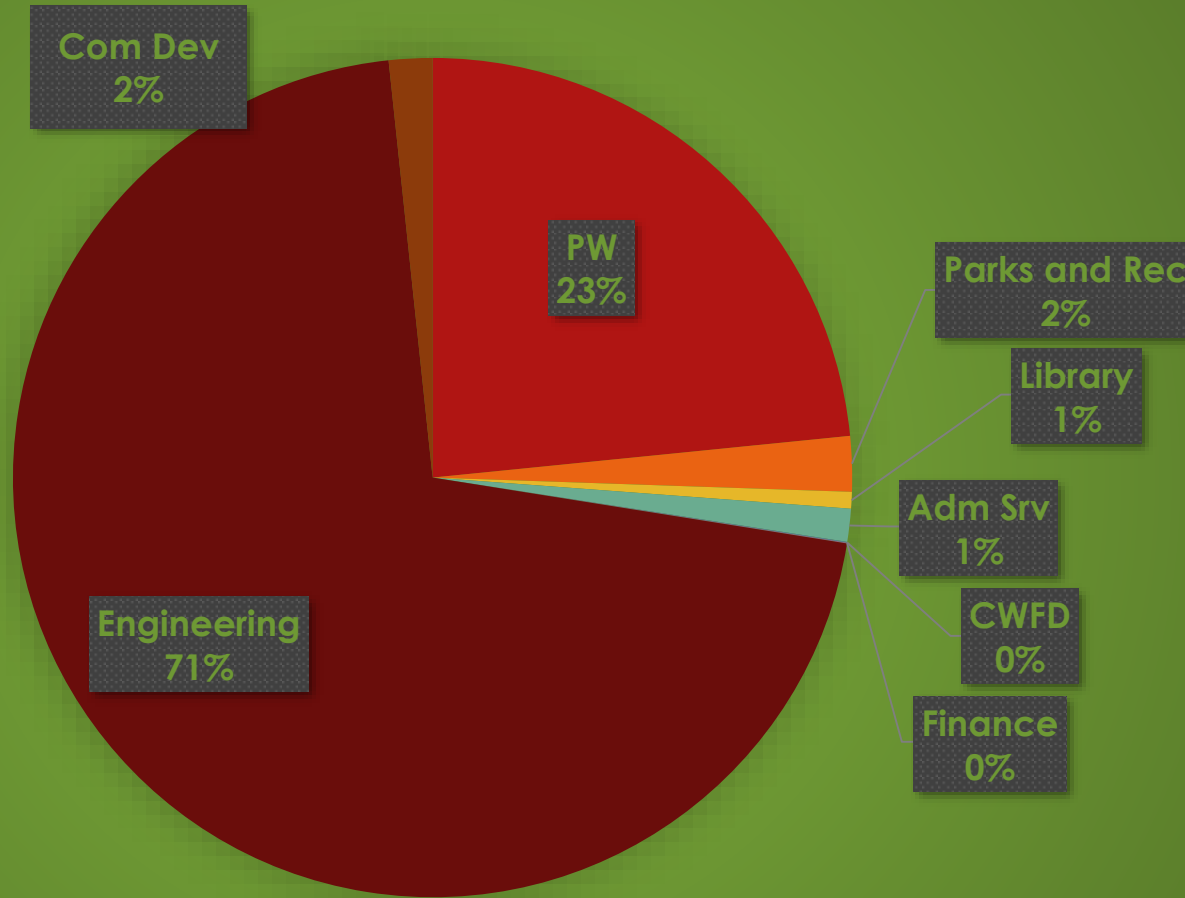


- ▶ Budget
  - ▶ Baseline is ongoing contracts - exception of replacement services.
  - ▶ New contracts are decision packages approved by Council.
- ▶ Procurement Process
  - ▶ Policy and Procedures
  - ▶ Review of staff and management
  - ▶ PW contracts – workshop with Council (large contracts)
  - ▶ City Attorney reviewed
- ▶ Council approve in Consent
  - ▶ Large contracts
- ▶ Accounts Payable and Filed
  - ▶ Consent
  - ▶ Open Spending
  - ▶ Contracts scanned
- ▶ Annual Audit
  - ▶ SAO reviews contract lists
  - ▶ Single Audit

# Number of Contracts 2018-Apr 2021



# Size of Contracts 2018-Apr 2021



# Impact of Council Consideration of all Contracts



- ▶ Steps above stay the same with an added step of preparing Consent items
- ▶ Council meetings could have more workshop items for reviewing contracts
- ▶ Contracts may be delayed – Council agendas are prepared two-three weeks before Council Meetings. Any changes would wait another two- three weeks or more.
- ▶ Staff time may be strained with agenda preparation and may require a Contract Council Liaison Officer to track contracts.
- ▶ May impact agenda scheduling of unanticipated items for Council's consideration



# Options to Consider



- ▶ Revise thresholds
- ▶ All contracts reviewed by Council
- ▶ Maintain current system





# Discussion