



# COBURG CITY COUNCIL

## ACTION ITEM

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### **Public Contracting Ordinance and Resolutions** **An Ordinance Repealing Ordinance A-91-C and Authorizing the Adoption of Public Contracting Rules and Spending Authority by Resolution via Resolutions 2024-02 and 2024-03**

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Meeting Date	Staff Contact	Email
April 9, 2024	Adam Hanks, City Administrator Sammy Egbert, City Recorder	<a href="mailto:Adam.Hanks@ci.coburg.or.us">Adam.Hanks@ci.coburg.or.us</a> <a href="mailto:Sammy.Egbert@ci.coburg.or.us">Sammy.Egbert@ci.coburg.or.us</a>

#### **REQUESTED COUNCIL ACTION**

Staff, with contract legal service technical expertise and direction, is presenting for second reading an ordinance that repeals and replaces the City of Coburg's existing public contracting rules currently set forth in Ordinance A-91c.

#### **Suggested Motions**

*I move to adopt at second reading and by title only Ordinance A-255 An Ordinance Repealing Ordinance A-91-C and Authorizing the adoption of Public Contracting Rules and Spending Authority by Resolution.*

AND

*I move approval of Resolution 2024-02, a resolution of City Council and the Local Contract Review Board opting out of the Oregon Attorney General Model Public Contracting Rules and Amending Public Contracting Rules, with associated findings in support, for the City of Coburg*

AND

*I move approval of Resolution 2024-03 establishing purchasing authority and spending limits for City of Coburg staff*

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#### **BACKGROUND**

Public Contracting for goods and services, professional services and public improvements are regulated by Oregon Revised Statutes (ORS). Various aspects of public contracting rules are regularly amended by the Oregon State Legislature requiring diligence at the local jurisdiction level to ensure that all locally adopted public contracting regulations comply with all relevant ORS provision amendments.

Some provisions of the state public contracting regulations provide for local decision making

that is more stringent than state law. As state law is amended over time, local regulations need to be revised, repealed or otherwise made compliant with state law.

Staff, and legal counsel, is recommending some structural changes in how public contracting regulations are adopted at the local level. The current regulations are contained within Ordinance A-91-C entirely. In addition to a number of text changes proposed, staff is recommending that the regulations be separated between ordinance and resolution with the intention being that the overarching framework and “fixed” elements of public contracting be adopted via ordinance and the areas that most likely evolve with legislative amendments and local preferences be approved via resolution.

This results in the public contracting “framework” needing formal public hearing, multiple readings and expanded noticing as appropriate for significant regulatory changes. Items that fall more into the “fine tuning” and “business operations” category can be adjusted more efficiently and quickly through the resolution process.

This comprehensive updating of Coburg’s public contracting regulations was initiated by staff from two recent issues that arose. One related to bid award appeals language being inconsistent with state regulations, which made the appeal process difficult to navigate. Another relates to delegated spending authority, which staff is proposing be significantly adjusted upward for operational efficiency.

Council moved Ordinance A-255 to second reading at its March 12, 2024 meeting and also discussed both resolutions that were included in the packet for reference. Council specifically discussed its general preference and direction to staff regarding spending authority and indicated that the staff suggested \$75,000 maximum would be appropriate. Staff has incorporated that direction into the spending authority resolution (2024-03) that is now formally before the Council for final deliberation and decision.

### **RECOMMENDATION**

Staff recommends approval by title only of Ordinance A-255 and also recommends approval of both Resolution 2024-02 and Resolution 2024-03 to complete the updating of the City of Coburg Public Contracting Rules and Regulations.

### **BUDGET / FINANCIAL IMPACT**

Costs associated with adoption of the proposed ordinance authorizing public contracting rules and spending authority by resolution are limited to professional legal service fees currently appropriated in the Administration Department of the General Fund of approximately \$3,000.

### **PUBLIC INVOLVEMENT**

The proposed Ordinance is available on the website and a printed copy is available at the front office as required by 2022 Coburg Charter. Council has previously discussed the ordinance and associated resolutions at its March 12, 2024 Council meeting.

### **NEXT STEPS**

Upon approval of the complete public contracting regulations (ordinance and resolutions), staff will conduct an internal training and develop any beneficial documents to assist with efficient compliance with the new regulations.

## **ATTACHMENTS**

1. Draft Ordinance A-255
2. Draft Resolution 2024-02 Opting out of the Attorney General Model Public Contracting Rules and amending local public contracting rules (with associated Exhibit A – Findings in Support of Adoption)
3. Draft Resolution 2024-03 Establishing Purchasing Authority and Spending Limits for City of Coburg staff.