DATE: January 27, 2009

TO: Board of Commissioners

FROM: Bruce A. Warner, Executive Director

SUBJECT: Report Number 10-11

Include at least one minority evaluator on all formal solicitation proposal evaluation committees.

EXECUTIVE SUMMARY

BOARD ACTION REQUESTED

Adopt Resolution No. 6765

ACTION SUMMARY

This Board action resolves to include at least one minority panelist provided by the Alliance of Minority Chambers on the evaluation and selection panel for all for all PDC-owned contracts in excess of the formal solicitation thresholds for construction, goods and services and personal services that are not awarded on the basis of lowest responsible bidder and all development solicitation evaluations. The formal solicitation threshold for PDC-owned contracts is currently $100,000.

In the event a contract or developer evaluation and selection panel is comprised of 5 or fewer members, there shall be a minimum of one minority panelist provided by the Alliance; for panels of 6-8 members, there shall be a minimum of three minority panelists provided by the Alliance; and so on.

The Alliance of Minority Chambers has agreed to work with other Portland based minority business associations, including the Oregon Association of Minority Entrepreneurs and the National Association of Minority Contractors of Oregon, and will be responsible for providing a qualified list of minority panelists to the Portland Development Commission (PDC) within a reasonable timeframe.

The Alliance of Minority Chambers will ensure that there is no potential panelist conflict of interest that the panelist understands that they are serving as a volunteer with no compensation and that the panelist will make a commitment to remain on the evaluation panel throughout the selection process.

Details of commitments made by the Alliance of Minority Chambers and by PDC will be documented in a Memo of Understanding (MOU) developed by the Alliance and PDC’s Professional Services Manager. It is anticipated that the MOU will be executed prior to implementation of the requirements on March 1, 2010.

The City of Portland City Council adopted a similar Resolution on December 16, 2009 and, within the Resolution, stated that “the Portland Development Commission PDC staff has agreed to prepare this policy to be formally considered for adoption by the Portland Development Commission.”
PUBLIC BENEFIT

PDC is committed to inclusive and transparent contractor and developer evaluation and selection processes, and this Board action furthers the Commission’s goals of social equity and strong regional economic growth.

This action will support the following PDC goals:

- Sustainability and Social Equity
- Healthy Neighborhoods
- A Vibrant Central City
- Strong Economic Growth and Competitive Region
- Effective Stewardship over our Resources and Operations, and Employee Investment

PUBLIC PARTICIPATION AND FEEDBACK

As part of the process in adopting the City of Portland Resolution on December 16, 2009, feedback was solicited from the City’s Fair Contracting Forum. The Fair Contracting Forum members are representatives of the minority and small business community. Changes were made to the City’s Resolution based on the feedback received. The suggested changes have also been incorporated in the PDC Resolution.

COMPLIANCE WITH ADOPTED PLANS AND POLICIES

This action complies with other adopted plans and policies.

FINANCIAL IMPACT

There is no additional financial impact with this action.

RISK ASSESSMENT

Adoption of the resolution does not create additional risk for PDC.

WORK LOAD IMPACT

Some staff time will be needed to implement the resolution but no new FTE are anticipated.

ALTERNATIVE ACTIONS

PDC would not improve inclusiveness and transparency in the solicitation process as requested by the Alliance of Minority Chambers.

CONCURRENCE
The City of Portland Fair Contracting Forum, the Alliance of Minority Chambers, the Association of Minority Entrepreneurs, and the National Association of Minority Contractors support the Resolution action. Also, the members of the PDC Operations Steering Committee were advised of this new requirement.

**BACKGROUND**

On December 16th, 2009, City Council unanimously passed Resolution 36757 to require City Bureaus to include at least one minority evaluator provided by the Alliance of Minority Chambers on all contractor evaluation and selection panels awarding City contracts in excess of the formal solicitation thresholds for contracts that are not awarded on the basis of lowest responsible bidder.

The City of Portland’s Resolution also stated that the Portland Development Commission staff has agreed to prepare the policy to be formally considered for adoption by the Portland Development Commission.

**ATTACHMENTS:**

A. City of Portland Resolution Number 36757
Resolution No. 36757

Require City Bureaus to include at least one minority evaluator provided by the Alliance of Minority Chambers on all contractor evaluation and selection panels awarding City contracts in excess of the formal solicitation thresholds for contracts that are not awarded on the basis of lowest responsible bidder (Resolution)

WHEREAS, the City of Portland is committed to inclusive and transparent contractor evaluation and selection processes; and

WHEREAS, the City’s current policy on the inclusion of minorities in contractor evaluation and selection processes is limited to requiring Bureaus have three (3) or more evaluators, with at least one (1) member of the committee selected from the community who is not a public employee.

WHEREAS, the City’s current policy does not consistently result in the inclusion of qualified minorities in its contractor evaluation and selection processes; and

WHEREAS, City bureaus have been challenged to identify qualified minority evaluators to participate in contractor evaluation and selection processes; and

WHEREAS, the Alliance of Minority Chambers shall meet monthly with other Portland based minority business associations including but not limited to the Oregon Association of Minority Entrepreneurs and the National Association of Minority Contractors to develop a list of qualified panelists to be submitted to the City of Portland upon request for each Request for Proposal (RFP), Request for Qualifications (RFQ) or other alternative contractor selection methods undertaken by the City for contracts in excess of the formal solicitation thresholds for construction, goods and services and professional, technical and expert services; and

WHEREAS, the City’s commitment to inclusive and transparent contractor evaluation and selection processes will be enhanced by accepting the assistance of the Alliance of Minority Chambers; and

WHEREAS, the Portland Development Commission’s commitment to inclusive and transparent contractor evaluation and selection processes will also be enhanced by adopting this policy for contracts in excess of the formal solicitation thresholds for construction, goods and services and professional, technical and expert services; and;

NOW, THEREFORE, BE IT RESOLVED, that the City of Portland shall include at least one minority panelist provided by the Alliance of Minority Chambers on the evaluation and selection panel for all contracts in excess of the formal solicitation thresholds for construction, goods and services and professional, technical and expert services that are not awarded on the basis of lowest responsible bidder; and

BE IT FURTHER RESOLVED that in the event a contract evaluation and selection panel is comprised of 5 or fewer members, there shall be a minimum of one minority panelist provided by the Alliance; for panels of 6-8 members, there shall be a minimum of two minority panelists provided by the Alliance; for panels of 9-11 members, there shall be a minimum of three minority panelists provided by the Alliance; and so on; and
BE IT FURTHER RESOLVED, that the Alliance of Minority Chambers shall work with other Portland based minority business associations including but not limited to the Oregon Association of Minority Entrepreneurs and the National Association of Minority Contractors and will be responsible to provide a qualified list of minority panelists to City bureaus within reasonable time frames established by the City’s Chief Procurement Officer and the Chief Procurement Officer and the Alliance of Minority Chambers shall enter into a memorandum of understanding to memorialize the responsibilities of the City and the Alliance; and

BE IT FURTHER RESOLVED, that the Alliance of Minority Chambers shall submit a report no later than ten business days after the end of each quarter to the Chief Procurement Officer of the previous quarter’s efforts and activities to collaborate and work with other minority business associations for the purpose of developing a list of qualified minority panelists; and.

BE IT FURTHER RESOLVED, that the Alliance of Minority Chambers shall ensure potential panelists do not have a conflict of interest, will not be compensated for their volunteer work, and are committed to remaining on the evaluation panels throughout the selection process; and

BE IT FURTHER RESOLVED, that the City shall provide at least 10 days for panelists to review contract proposals prior to convening the panel for selection for those projects that exceed $150,000 and 5 days for those projects estimated to cost less than $150,000; and

BE IT FURTHER RESOLVED, that the Chief Procurement Officer shall provide the indexed formal solicitation thresholds to the Alliance of Minority Chambers on an annual basis; and

BE IT FURTHER RESOLVED that the Portland Development Commission staff have agreed to prepare this policy to be formally considered for adoption by the Portland Development Commission; and

BE IT FURTHER RESOLVED, that this resolution is binding City policy.

Adopted by the Council:
Commissioner Randy Leonard
Mayor Sam Adams
Prepared by: T. Kovatch
Date Prepared: December 3, 2009

LaVonne Griffin-Valade
Auditor of the City of Portland
By
Deputy