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## MEMORANDUM

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**TO:** JOINT GOVERNANCE COMMITTEE (FEDERATED AND POLICE & FIRE)

**CC:** ROBERTO PENA, BARBARA HAYMAN

**FROM:** VALTER VIOLA (CORTEX)

**SUBJECT:** PROCUREMENT AND CONTRACTING OF GOODS AND SERVICES

**DATE:** JANUARY 29, 2024

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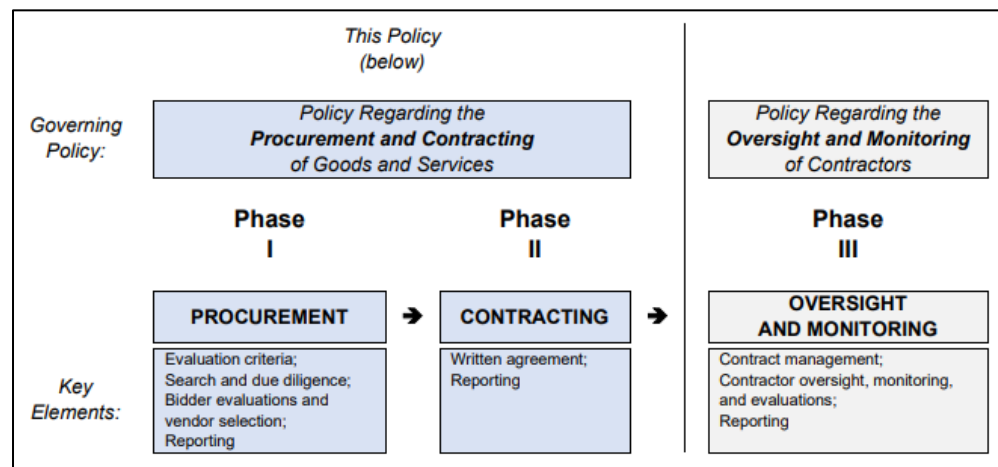
### BACKGROUND

At the Joint Governance Committee (“JGC”) meeting on November 27, 2023, Cortex reviewed the approach for developing the first draft of the attached *Policy Regarding the Procurement and Contracting of Goods and Services* (the “Policy”).

The memo<sup>1</sup> from the November 2023 JGC meeting noted that the draft Policy would:

- **replace the current policy** called *Policy Regarding Roles in Vendor Selection*;
- **expand the scope** beyond procurement (Phase I) and contracting (Phase II) alone to also **include a third phase (oversight and monitoring of contractors)**; and
- **be supplemented by procedures**<sup>2</sup>, to be signed by the CEO (not the Boards), to support the implementation of the Policy.

The attached draft Policy describes the three phases of the overall process, shown below. The draft Policy covers the first two phases only (procurement and contracting) while a separate memo covers a draft policy regarding Phase III (oversight and monitoring of contractors).



<sup>1</sup> The memo is available at <https://sjrs.legistar.com/gateway.aspx?M=F&ID=a1a61b58-7e7e-4e41-beac-8f2a295e92bd.pdf>.

<sup>2</sup> We propose to defer the development of separate procedures, including more detail in the Policy instead. (In the future, elements of the Policy will be “carved out” and included in the Procedures.)

## REVIEW AND DISCUSSION OF DRAFT POLICY

At the January 29 JGC meeting, Cortex plans to review and support the Committee's discussion of the first draft of the Policy, including:

- the **different procurement processes** that are permitted and **contracting authorities** related to each procurement process (Appendix 2 of the Policy);
- the **mandatory procurement requirements and/or parameters** (Appendix 4); and
- **contract parameters and/or requirements** (Appendix 5).

For example, when establishing the maximum initial contract term in Appendix 5, one of the factors that should guide the Committee's decision is the number of contracts that exist.

- There are 10 Designated Service Providers that the Board must approve.
- If the maximum term is 5 years, this would mean that the Board would be involved in two (2) searches per year on average (10 contracts/5 years), assuming contract maturities are staggered across the calendar year.
- If contract maturities are **not** staggered, the Board would be involved in three (3) or more searches in a given year, taking time away from the Board's other responsibilities.
- As a result, the Committee may decide that a maximum initial contract term of six (6) years is more appropriate.

## COMMENTS FROM ORS STAFF AND COUNSEL

Cortex has reviewed the draft Policy with ORS staff and Counsel.

At the meeting, Cortex, staff, and/or Counsel may share any additional comments related to various matters, including (for example):

- goods and services governed by the **City's rules**, not this Policy (section 7 of the Policy); and
- **privacy rules** (not mentioned in the draft Policy).