

RESOLUTION NO. 83-2009

Adopted July 21, 2009

AMENDING THE AGENCY'S PURCHASING POLICY AND PROCEDURES TO UPDATE THE AUTHORIZED METHODS OF PROCUREMENT OF GOODS AND SERVICES BY THE AGENCY AND TO MAKE OTHER MINOR ADMINISTRATIVE CHANGES

BASIS FOR RESOLUTION

1. The Agency's Purchasing Policy and Procedures ("Purchasing Policy") has been amended many times since its adoption in the early 1990s. It was last amended by the Agency Commission on November 16, 2004, by Resolution No. 133-2004, which substituted the Small Business Enterprise Policy ("SBE Policy") for the Minority and Woman Owned Business Enterprise Policy contained within the Purchasing Policy.
2. The Purchasing Policy establishes the policies, procedures, standards and guidelines for the purchase of supplies, equipment, goods and services for the Agency. No purchase or procurement may be made by Agency staff unless it complies with the Purchasing Policy or has otherwise been authorized by the Agency Commission. The Purchasing Policy is designed to ensure that the Agency obtains supplies, equipment, goods and services efficiently, economically, and fairly in compliance with various legal requirements.
3. The Purchasing Policy also requires that purchases be made in a nondiscriminatory manner and that the procurement process is free from legal conflict of interests.
4. Over time, the practice of the Agency for procuring goods and services has evolved to reflect changes in the law and the Agency's needs. The Purchasing Policy has not kept pace with these changes.
5. On July 6, 1993, by Resolution No. 127-93, the Agency Commission formed a Subcontracting Working Group ("Working Group"). Since its inception, the Working Group has consisted of Agency Commissioners, civil rights advocates, business representatives, community representatives, and appropriate Agency staff. The Working Group provides valuable advice and feedback on Agency policies regarding outreach to minority-owned businesses, woman-owned businesses, and now small business enterprises.
6. The Working Group met on January 28, 2009 and again on April 22, 2009 to discuss proposed changes to the Purchasing Policy. In those meetings, Agency staff noted that the Purchasing Policy, as currently adopted, does not accurately reflect the procurement practices of the Agency. The Working Group discussed staff's recommendations and made recommendations of its own.

7. The Working Group recommended, for the Agency Commission's consideration, the following changes to the Purchasing Policy:
 - a. Taking the word "Interim" out of the Purchasing Policy.
 - b. Separating the SBE Policy from the Purchasing Policy.
 - c. Updating the four (4) methods for procuring services by changing the names to 3+ Contractor Telephone Solicitation Procedure, Competitive Sealed Bids Procedure, Request for Proposals/Request for Qualifications ("RFP/RFQ") Procedure and Sole Source Procedure and updating the procedures to reflect current Commission approved practices.
 - d. Making minor clarifications to the method of procuring supplies to reflect current Agency practice.
 - e. Increasing the dollar limitation for 3+ Contractor Telephone Solicitation Procedure to \$50,000 equal to the Executive Director's current authorization.
 - f. Increasing the outreach requirements to SBEs when using the 3+ Contractor Telephone Solicitation Procedure in an attempt to increase the number of SBEs participating in smaller Agency contracts.
 - g. Expanding the circumstances when the Sole Source Procedure would be appropriate.
 - h. Making explicit the authority to establish panels using the RFP/RFQ Procedure.
 - i. Establishing a limit (3x) on the number of times within a twelve-month period, the Executive Director could issue a contract to the same Contractor using the 3+ Contractor Telephone Solicitation Procedure and/or the Sole Source Procedure without seeking Commission approval.
 - j. Broadening the definition of "Contractor" to encompass all persons seeking to do business with the Agency.
 - k. Updating the nondiscrimination provision to protect HIV/AIDS status and domestic partners.
 - l. Broadening the scope of the Purchasing Policy to cover all contracts not just service contracts over \$100,000 and construction contracts over \$300,000.
 - m. Adding a provision that authorizes the Executive Director to promulgate purchasing procedures consistent with the Purchasing Policy as adopted.
 - n. Making other minor changes as reflected in the Purchasing Policy, as amended.
8. Staff desires to amend the Purchasing Policy to incorporate the changes recommended by staff and the Working Group. Accordingly, staff has prepared an amended Agency Purchasing Policy, which is attached to this Resolution as Attachment A and made a part of it.

9. Under the Purchasing Policy, as amended, the Executive Director shall have the authority to promulgate, from time to time, purchasing procedures which are consistent with the Purchasing Policy without the need of further action by the Agency Commission. The purchasing procedures may be in the form of a procedures manual or in any other form deemed appropriate by the Executive Director.
10. Agency adoption of the Purchasing Policy, as amended, and purchasing procedures are administrative activities that are not Projects as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(5), will not independently result in a physical change in the environment, and are not subject to environmental review under CEQA.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that:

- (a) the Purchasing Policy, as amended, and attached as Attachment A is hereby adopted; and
- (b) the Executive Director is hereby authorized to promulgate, from time to time, purchasing procedures which are consistent with the Purchasing Policy without the need of further action by the Agency Commission.

APPROVED AS TO FORM:


For James B. Morales 7/16/09
Agency General Counsel

Attachment A: Agency Purchasing Policy (clean copy)

