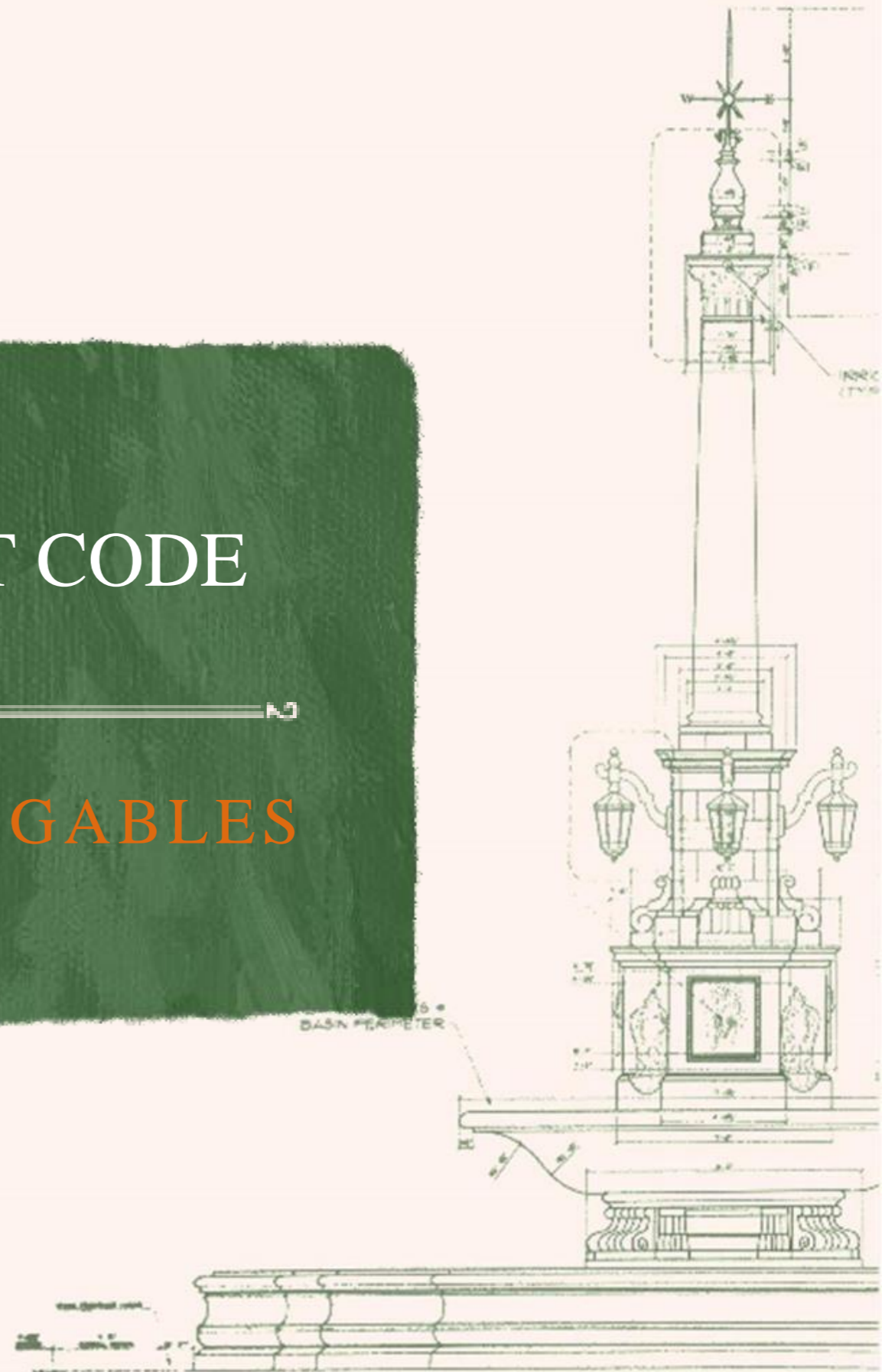


# PROCUREMENT CODE UPDATE

CITY OF CORAL GABLES



# PROJECT GOAL

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Key principles of public procurement in today's environment include: fair and open competition, an increased competitive arena, quality products and/or services, best value procurements, customer service, and transparency.

As such, the City has engaged in a review and update of the current City Procurement Code and Regulations; including, potential recommendations on policy and procedural changes to support the delivery of quality procurement services.

The Procurement Code and Procedures review targeted the following:

- 1. Review and analysis of the relevant procurement statutes, ordinances, City Code, policies and procedures to gain an in depth understanding of the existing procurement landscape.
- 2. Identifying relevant benchmarks in the development of the Procurement Code and Regulations recommendations.
- 3. Identifying potential impediments or modifications to the Procurement Code, policies and procedures and develop recommendations for change, if appropriate, based on industry “best-practices” and the Model Procurement Code.

# THE FIRM

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The City engaged the professional services of an the outside consultant “NIGP Consulting Services” who possesses an immense amount of experience and knowledge within the procurement industry across North America and whose client base spans states, counties, cities, school systems, airport authorities, and higher education institutions .

The National Institute of Governmental Purchasing (“NIGP”), Periscope Holdings, Inc. (“Periscope”) is a membership-based non-profit organization that provides support to North American professionals in public sector purchasing. The Institute is an educational and technical organization of public purchasing agencies, comprised of 77 affiliate chapters and one student chapter, and more than 2,600 agency members representing federal, state, provincial and local government levels, school districts and utility districts throughout the United States and Canada.

These agencies represent over 16,000 individuals serving the public procurement community.

# THE CONSULTANT

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The NIGP Consultant assigned to the project possesses a wide array of procurement review experience during its 20-plus year history and has recently completed similar types of engagements for a number of organizations, including Manatee County, FL, City of Dallas, TX; Hillsborough City Aviation Authority, Tampa International Airport, FL; Raleigh-Durham Airport Authority, NC; City of Raleigh, NC, City of Palo Alto, CA; Sarasota County, FL, City of Hollywood, FL, and the San Antonio Water System, TX

## **MARIA DE LOURDES COSS, MPA, CPPO**

- Certified Public Procurement Professional;
- Has served as Manager, Director or Purchasing Agent of at least one public purchasing agency;
- Has at least 25 years of relevant experience;
- Has “In the Trenches” experience with federal, state, City, city government; as well as school districts, universities, utilities and special authorities;
- Understands the importance of “best practices” based procurement policies and procedures to deliver quality procurement services in an effective and efficient manner;
- Skilled in assessing purchasing system/technology preparedness;
- Understands the important relationships among solicitation processes, buying roles, and the contract administration function;

# PROJECT APPROACH

## FOUR-PHASE METHODOLOGY

**Preparation:** First phase started with the coordination between the NIGP Consultant and the appropriate procurement staff and stakeholders. During this period, the Consultant reviewed state statutes, City Procurement Code and Regulations, and Policies and Procedures to gain a solid understanding of the current practices.

**Data Collection:** Second phase consisted of on-site meetings between the City's representatives and the Consultant to discuss the scope of the project. The discussions offered a thorough understanding of the City's current environment, and key goals and objectives for the project. Site visits were held to conduct interviews with Finance Director, Procurement staff, City Manager, City Attorney, and City Auditor.

**Analysis:** Third phase involved assessing and evaluating all data collected and defining areas for improvement. Applicable best practices were identified at this point that could help the City in developing current procurement strategies and best practices. During this phase benchmarking data (comparative cities) was suggested and incorporated, as applicable.

**Report/Deliverable Generation:** Final phase is comprised of preparation of an Updated Procurement Code with supporting analysis for proposed modifications and a report identifying proposed Regulations modifications and applicable analysis based on best practices for recommendations of enhancements to the processes.



# PROPOSED RECOMMENDATIONS

The review revealed opportunities for improvement with respect to the current organizational structure, best practices, efficiencies through the use of technology, and the role of procurement in the organization. The proposed recommendations described next focus on changes to the current Procurement Code. Changes are intended to modernize and align directives with best practices for transparent, efficient, and effective procurement process.

## Highlights:

- Update to code definitions to achieve consistency and alignment with NIGP standards
- Address Authority limits to reflect levels that are aligned with the current market and make the threshold consistent between Goods & Services and Construction
- Address the Procurement Exemptions to reflect the business needs of the Departments
- Restructure the Protest process
- Address “Unauthorized Purchases”

# HIGHLIGHTS (CONTINUED)

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- Insert Living Wage requirement for applicable contracted services
- Update the “Cone of Silence”
- Update the “Bid Security” language
- Update to the methods of Procurement
- Addressing Contract Administration responsibility
- Specifically addressing “Collusion” in the Procurement section of the code
- Handling the resolution of disputes

# NEXT STEPS

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- Finalize internal review of proposed changes (City Attorney and City Manager) – **July/August 2018**
- Conduct Commissioner Workshop (with NIPG Consultant) – **September 2018**
- Submit the updated Code for first and second reading – **October 2018**