

W. 4. F. 1.

Memorandum Date: January 7, 2009
Order Date: January 14, 2009

TO: Board of County Commissioners
DEPARTMENT: County Counsel
PRESENTED BY: Trina Laidlaw, Assistant County Counsel
AGENDA ITEM TITLE: ORDER/IN THE MATTER OF AMENDING LANE MANUAL 20.110(3) TO CORRECT CITATIONS TO COOPERATIVE AND SPECIAL PROCUREMENTS TO BE CONSISTENT WITH OTHER RULES (LM 20.110(3))

I. MOTION

MOVE TO AMEND LANE MANUAL 20.110(3) TO CORRECT CITATIONS TO COOPERATIVE AND SPECIAL PROCUREMENTS TO BE CONSISTENT WITH OTHER RULES

II. DISCUSSION

A. Background/Analysis

Through a rule updating process, Legal Counsel has identified a need to update LM 20.110(3). The purpose of this Board item is to approve "housekeeping" citation corrections to LM 20.110(3). Generally, LM 20.110 is a public contracting rule which places limits on the county's ability to amend existing contracts without doing an additional competitive selection. Subsection (3), in part, describes the types of procurement for the county. Currently, subsection (3) refers to LM 21.112B for cooperative procurements. However, LM 21.112B was eliminated by Board Order No. 08-2-13-1, and the cooperative procurement rule was renumbered as LM 21.112A. A rule on special procurements was previously numbered LM 21.112A, and is now LM 20.265.

The Board's approval of the citation corrections in this agenda item would make the public contracting rules more clear and consistent.

B. Recommendation

Approve the order to correct the rule citations to cooperative and special procurements contained in LM 20.110(3) to be consistent with other public contracting rules.

III. ATTACHMENTS

Board Order

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON
SITTING AS THE LOCAL CONTRACT REVIEW BOARD AND
AS LOCAL CONTRACTING AGENCY

ORDER NO.

IN THE MATTER OF AMENDING LANE MANUAL
20.110(3) TO CORRECT CITATIONS TO COOP-
ERATIVE AND SPECIAL PROCUREMENTS TO BE
CONSISTENT WITH OTHER RULES (LM 20.110(3))

WHEREAS, the Board, sitting as the local contract review board approved certain excep-
tions to competitive selection requirements;

WHEREAS, the Board, sitting as both the local contract review board and local contracting
agency has adopted procedural rules for public contracting, including to reflect class exceptions to
competitive selection;

NOW, THEREFORE, sitting as both the local contract review board and local contracting
agency, the Board of County Commissioners of Lane County orders as follows:

Lane Manual Chapter 20 is hereby amended by removing, substituting, and adding the fol-
lowing section:

REMOVE THIS SECTION

20.110
as located on pages 20-4 through 20-5
(a total of 2 pages)

INSERT THIS SECTION

20.110
as located on pages 20-4 through 20-5
(a total of 2 pages)

Said section is attached hereto and incorporated herein by reference. The purpose of this
substitution and addition is to correct citations to cooperative and special procurements to be con-
sistent with other rules.

Adopted this _____ day of _____ 2009.

Chair, Lane County Board of Commissioners

APPROVED AS TO FORM

Date 11/7/09 Lane County

J. Fairclaw

OFFICE OF LEGAL COUNSEL

20.105 Dollar Amount of Contract - Not to Exceed \$100,000.

(1) The County may let public contracts not to exceed \$100,000 for the purchase of goods materials, supplies, and/or services without formal competitive bidding when the following conditions are complied with:

(a) The contract is for a single project and is not a component of or related to any other project in any one single year; and

(b) When the amount of the contract does not exceed \$5,000 for non-public improvements or is less than \$5,000 for public improvements, the County may contract by direct selection, without competitive selection, subject to the requirements and procedures in LM 21.109. However, competitive quotes in accordance with (c) below are encouraged, particularly for new purchases or projects.

(c) When the amount of the contract exceeds the amounts in (b), but do not exceed \$100,000 the County shall obtain a minimum of three (3) competitive quotes or proposals, subject to the requirements and procedures in LM 21.110. If three (3) quotes are not available for purchases covered by this rule, a lesser number will suffice provided that a written record is made of the effort to obtain the quotes. The County shall keep a written record of the source and amount of quotes received.

(2) The County may let personal service contracts in accordance with LM 21.117 and LM 21.118, and subject to any waiver by the County Administrator. *(Revised by Order No. 98-12-2-1, Effective 12.2.98; 04-6-30-12, 6.30.04; 05-2-16-8, 2.28.05; 05-3-9-21, 3.9.05; 05-12-14-9, 1.1.06; 08-2-13-1, 2.13.08)*

20.110 Contract Amendments (Including Change Orders under Extra Work).

(1) Any contract amendment or change order (except for personal services) which increases the original contract price may be made with the contractor without further competitive process if either of the following conditions are met:

(a) The original contract was let by competitive process authorized by these rules; rates, unit prices or bid alternates were provided that established the cost for extra or additional work; and a binding obligation exists on the parties covering the terms and conditions of the extra or additional work; or

(b) The amount of the aggregate cost increase resulting from all amendments does not exceed 25 percent of the amount approved through competitive selection and does not exceed a reasonable cost estimate by the County; with the exception of contracts for the renovation or remodelings of buildings which may have aggregate amendments not exceeding 33 percent of this amount. Amendments made pursuant to LM 20.110(1)(a) above of this rule are not included in computing the aggregate amount under this section.

(2) Subject to any waiver, an amendment to a personal service contract may be executed without further competitive process when it is equal to or less than 50 percent of the original competitively selected amount, or in the event of multiple amendments, where the aggregate of the amendments is equal to or less than 50 percent. In addition, if the amendment is related to continuation of a project as provided in LM 21.118(8), no additional competitive process is required.

(3) Amendments that result from a separate competitive selection are not included in computing the aggregate amounts under subsection (1)(b) or (2) of this rule. The competitive selection used for the amendment should be appropriate based on the type of procurement and dollar amount of the amendment. See LM 21.105 (competitive bidding); LM 21.107 (requests for proposals); LM 21.108 (letters of interest); LM 21.109 (small procurements); LM 21.110 (intermediate procurements); LM 21.111 (sole source); LM 21.112A (cooperative procurements); LM 20.265 (special procurements); LM 21.118 (personal services). The competitively selected amendment amount(s) may be added to the original competitively selected amount to determine a new base amount. The aggregate cost increase resulting from all amendments which have not been covered by a competitive selection cannot exceed the percentages listed above in (1)(b) and (2) of the new base amount. It is the department's responsibility to maintain documentation concerning the competitive selection used for any such amendments and for which time periods. *(Revised by Order No. 98-12-2-, Effective 12.2.98; 05-2-16-8, 2.28.05; 08-2-13-1, 2.13.08)*

20.115 Life Cycle Costing.

(1) In determining the lowest responsible competitor in the award of a contract, the County may use the concept of life cycle costing if it complies with LM 20.115(2) below. As used in this rule, life cycle costing means determining the cost of a product for its useful life.

(2) (a) Prior to the time of writing specifications for the product, the County shall identify those factors which will have cost implications over the life of the product;

(b) The written solicitation or invitation shall set out clearly the factors and methodology to be used in life cycle cost adjustments;

(c) The results of life cycle costing adjustments shall be applied to the base and any applicable alternate bids, proposals or quotes, and the competitor whose total results in the lowest ownership cost, taking into account the life cycle costing adjustments, shall be considered the lowest responsible competitor. *(Revised by Order No. 98-12-2-1, Effective 12.2.98)*

20.120 Price Regulated Items or Services.

The County may, without competitive bidding or quotes, contract for the purchase of goods or services, where the rate or price for the goods or services being purchased is established by Federal, State, or regulatory authority. *(Revised by Order No. 98-12-2-1, Effective 12.2.98)*

20.125 Price Set by Federal Contracts.

(1) When the price of goods and services has been established by a contract with an agency of the federal government pursuant to a federal contract award, the County may purchase the goods and services from the supplier without subsequent competitive bidding. In exercising this authority under this exemption, the County shall:

(a) Include in the contract file a letter or memoranda from the appropriate federal agency granting permission to purchase under federal contract;

(b) Include in the contract file documentation showing the cost savings to be gained from anticipated purchases from the federal contract, based on at least two (2) other quotes, or if two are not available, one will suffice provided that a written record is made of the effort to obtain the quotes. *(Revised by Order No. 98-12-2-1, Effective 12.2.98; 05-2-16-8, 2.28.05)*

20.128 Client/Patient Services.

The County may contract for direct client services without competitive selection where the County Department:

(1) Reasonably believes after inquiring that no qualified providers are likely to participate in competitive selection; and

(2) Will include on a list all qualified providers willing to consider taking client referrals on an as-needed basis; and

(3) Will select a qualified provider from the list as a client need arises, based on criteria including, but not limited to, client and family needs, quality/type of appropriate care, availability of service at the time it is needed, and cost. *(Revised by Order 02-12-4-4, Effective 12.04.02)*

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Bold indicates material being added
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LEGISLATIVE
FORMAT

20.105

Lane Manual

20.110

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