



City of Seattle

Purchasing & Contracting

1

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FINANCE AND ADMINISTRATIVE SERVICES
CITY PURCHASING

- Introduction
- Procurement Process
- Sweatfree Provisions
- Policy Structure

Statement of Legislative Intent

3

1. Requests DEA develop & implement policy for uniforms.
2. Requests participatory process.
3. Does not include uniforms purchased through collective bargained uniform allowances, however
4. Requests we plan how to incorporate in future labor negotiations.
5. Participate in Sweatfree Consortium

Due date: June 1, 2010



Introduction

4

- City Purchasing
 - ✦ Goods, equipment, material, supplies, routine services
 - ✦ Centralized procurement for all items above \$44,000/year
 - ✦ Delegated authority to departments for small purchases

Codes and Laws

5

- State Law
- City Code (Seattle Municipal Code)
- Court Cases/Administrative Law
- Policies/Procedures
- Specifications



Procurement Process

6

- Bid threshold - \$44,000/year
- Less than \$44,000 - decentralized (12%)
- Above \$44,000 - centralized
- One-time Purchase Orders (18%); and
- 1,100 multi-year (5 to 7 year) contracts (70%)
- Piggyback - State of Washington, King County (30%)

Blankets

7

- Department identifies need
- Select an ITB or RFP
 - Minimum requirements
 - Minimum Qualifications
 - Standard instructions & contract
 - Define specifications
 - Evaluation criteria or low bid wins

Social Responsibility Criteria

8

- **WMBE –Policy /20.42. (2005)**
 - WMBE Purchasing Policy
 - Scored Evaluation
- **Green Products – Policy /20.60 (1992)**
 - Green Purchasing Policy
 - Integrated Pest Management, Landscaping, Anti-Idling
 - Specifications/Scored Evaluation
- **Equal Benefits - SMC 20.45 (2002)**
 - Adopted Rule
 - Compliance Screening
- **Fair Labor- Policy/State Law**
 - Prevailing Wages – RCW 39.04 (1945)
 - Worker Retention – Executive Order
 - Livable Wages/Benefits (Specification)

WMBE

9

- **SMC 20.42**
 - Policy commitment: “won’t enter into contracts with persons that discriminate....”
 - “Contractorsshall actively solicit employment of women and minority(and) actively solicit bids for subcontracts to qualified Available and Capable Women and Minority”
 - Expresses Debarment authority
 - No pricing preference (I-200)
- **Policy**
 - Outreach, recruitment, specifications, participation, goals

WMBE Procedures

10

- Assess the opportunity, identify availability
- Look at other agencies – best practices
- Build a strategy
- Customize expectation and publish in ITB/RFP
- Require Vendor submit an “Outreach Plan”
- Submit with ITB/RFP
- Mandatory or optional submittal
- Pass-Fail &/or evaluate-score
- Moved from 3% participation (2004) to 15% (2009)
- Tracking and reporting

Green

11

- **SMC**
 - Policy commitment - promote use of recycled content products
 - 10% price preference if low bid is best bid, but recycled bid is also acceptable but more costly (*rarely used*)
 - Expresses right to terminate
- **Policies and Procedures**
 - Research, availability, strategize
 - Look at other agencies – best practices
 - Customize for each ITB/RFP
 - Create clear specifications
 - Pass-Fail &/or Evaluation-Score
 - Right to terminate
 - Sometimes more costly, sometimes saves money
 - Tracking and reporting

Equal Benefits

12

- **SMC**
 - No contractor shall discriminate
 - If cost, then waives applicability of policy onto a vendor
 - Can provide a cash equivalent to employees
 - May terminate contract
- **Policy and Procedures**
 - Uses a pass/fail with waivers/exemptions
 - ✦ interlocal agreements, only one source, grants, emergencies, incidentals
 - Declaration Form as Mandatory Submittal
 - ✦ Vendors required to say yes/no
 - ✦ Did anyone say yes? If so, yes stays in play.
 - Complaint Driven

Common Tools for Integration of Social Justice

13

- We strategize, research, look at best practices, progressively implement, determine availability, look at ways to integrate
- We customize the RFP/Bid practices
- Use Specifications to establish minimum expectation
- Screening and/or Evaluating
 - Contract has standard rights to Terminate/Breach

Back to the process.....

14

- Screen Submittals
 - Equal Benefits
 - Mandatory Forms
 - Minimum Qualifications
 - Technical Minimums
 - Responsive Outreach Plan
- Tabulate those Bids left standing
- Score & Evaluate RFP
- Execute Contract
- Department places orders
- Ongoing monitoring

Sweatfree

15

- Models
- Core Elements
- The Details
- Seattle Start
- Key issues

Sweatfree Models

16

- **Model procurement policy– 2007 (Sweatfree)**
 - Combined elements of code/policy
- **City of San Francisco**
 - Does an ordinance for entire scope
 - Needs to rewrite ordinance with every progression
 - Original 2005, modified 2007, modified 2009
- **City of Portland**
 - 2009 – Resolution and then a Purchasing Policy

SweatFree - Core Elements

17

Core elements:

- Uniforms (*model, San Francisco, Portland*)
- Phase in - progressive implementation
- Policy Statement
- Require disclosure of Manufacturing Locations
- Code of Conduct
- Agree to Monitoring when possible
- Award process (any compliant first; most compliant back-up; San Francisco applies a 15% cost window)

List of Manufacturing Locations

18

Bidder must:

- Submit list of contractors, subcontractors and manufacturing plants involved in manufacturing process. Must notify City of any changes during the course of the contract.

Code of Conduct

19

And Bidder must:

- Detailed code of conduct
- Vendor must sign and submit a Code of Conduct
- Applies to Vendor, subcontractors and manufacturing plants involved in manufacturing the product.

Monitoring

20

And Bidder must:

- Agree to monitoring upon request of City:
 - For contractors & manufacturing plants in manufacturing of product
- During contract, City may request information about monitoring and compliance

Award

21

- Screen for compliant bidders (like EB)
- Those fully compliant proceed to tabulation for low bid award
- Policy issue – if none compliant:
 - Waive the requirement?
 - Cost screen and then most compliant?

Building the Policy Details

22

- Policy orientation
 - Statement of progressive implementation
 - ✦ Adopting progressive implementation, best practices in the future (Portland)
 - ✦ San Francisco – originally enforcement oriented, later redrafted
 - Uniforms and apparel
 - ✦ Pursue progressive implementation
 - ✦ Portland, model
 - ✦ San Francisco started with all products, redrafted to phases
 - Clearly integrate social and environmental responsibility
 - ✦ San Francisco silent
 - ✦ Portland integrates

Additional Details

23

- **Purchasers – who it covers**
 - Contractors and subcontractors (San Francisco)
 - City employees, contractors, subcontractors (Portland)
 - Seattle - contractors, subs, and eventually labor unions
- **Policy Exemptions - *San Francisco and Portland***
 - If grant prohibits
 - Only one responsible contractor who is unable to comply
 - Emergencies
 - When buying from public entity
 - Incidental goods

Additional Details

24

- **Termination**
 - San Francisco – debarment
 - Portland – termination authority
 - Model – allows range (disqualification from bidding, termination, or other sanctions)
- **Experience**
 - San Francisco has 4 contracts from 2 contract bids, none fully compliant
 - ✦ (uniforms, safety gear)
 - Portland – no bids yet
- **Cost**
 - San Francisco – exempted if low bid is 15% greater
 - ✦ Insufficient experience– 5% to 15% swings
 - Portland – no cost exemption because of limited scope

Seattle Draft Policy

25

- **Core elements**
 - Policy statement of progressive action, best practices, integrated social responsibilities
 - Slave free reference
 - Apply to employee (labor), primes and subs
 - Apply to sealed bid thresholds (above \$44)
 - Uniforms only, progress as best practices evolve
 - Code of conduct
 - List locations
 - Agree to monitoring as available
 - Provide standard exemptions

Key Questions

26

- **Bid Submittal Option**
 - Require at time of bid (WMBE, EB)
- **Award Questions**
 - If all compliant, lowest responsive & responsible
 - If none compliant, ranking of most compliant to least
 - Cost limit?
- **Monitoring Options**
 - San Francisco hires monitor
 - Progressive implementation as monitoring becomes available?
 - Funding model
- **Code of Conduct**

Close

27

