



Streamlining our Contracting Process

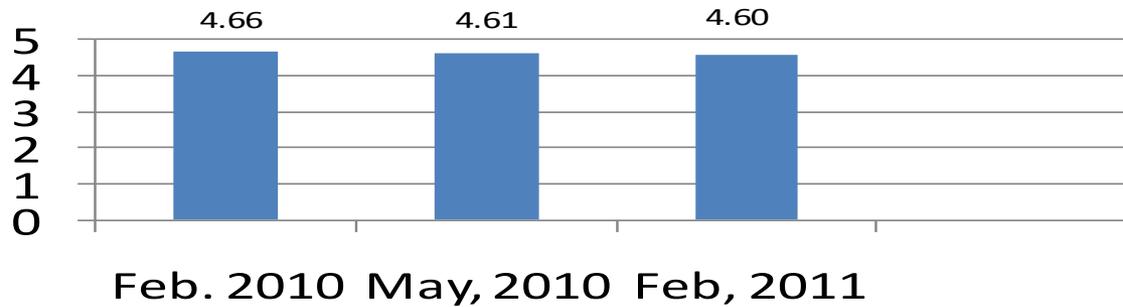
March 23, 2011





Our Current Situation

- February, 2011 customer satisfaction remains high (4.6 on 5.0 scale); but...



Our Current Situation

- We know we can reduce red tape and improve our cycle times





What We've Done So Far

1. 2006 BPR and consolidation of most Purchasing & Contracting functions
2. 2009-2011 contracting reinvention study with 10 departments, facilitated by Business Office



Contracting Improvements Made

1. Defined process ownership for all phases of contracting
2. Enforcing a 10 calendar day deadline for submission of insurance endorsements





Contracting Improvements Made

3. Streamlined CDBG contract processing, reducing cycle time by 2 – 4 months
4. Streamlined and standardized RFP document, reducing prep time and easing review by bidders





Contracting Improvements Made

5. Subcontractor outreach efforts
6. Point-based RFP response evaluations, reducing time and improving transparency
7. Increased use of cooperative purchasing agreements, speeding procurements by 90 – 150 days



Further Improvements Pending

8. Replace manual contract routing with the SAP requisition approval process
9. Implement a 20 day posting period for proposals/bids
10. Use Multiple Award Construction Contracts, permitting multiple design-build awards from a single procurement





Further Improvements Pending

11. Use of “reverse auctions”
12. On-line business self-registration
13. Electronic lock-box for submitting bids
14. Pushing out procurements electronically





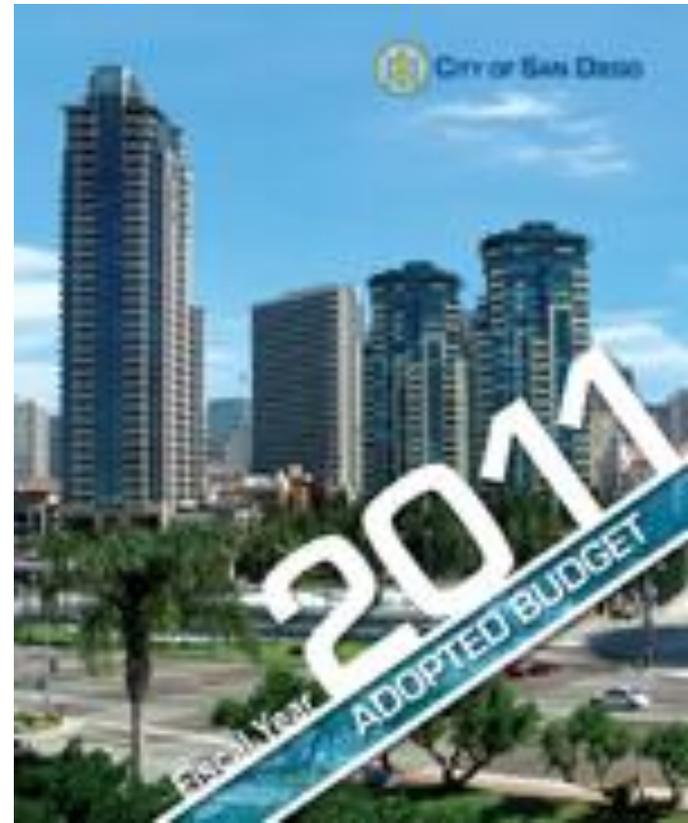
Further Improvements Pending

15. Eliminate the SCOPe program when sufficient # of firms are certified for small emerging/local business enterprise (SLBE) program
16. Delegate Mayoral authority to Directors to execute contracts up to \$100K, if they comply with all procurement policies/procedures.



How the Council Can Help

1. Increase thresholds for awarding contracts if they are budgeted.





Proposed New Approval Thresholds*

Type of Contract	Current (1998) Threshold	Recommended Threshold*
Consultants	\$250,000	\$500,000
Goods & services (professional & non- professional)	\$1,000,000	\$2,000,000
Non-profit organizations	\$500,000	\$1,000,000
Public works projects	\$1,000,000	No limit if approved in CIP

* These values will be inflation-adjusted in future years in accordance with Council Policy 100-13



Rationale for New Approval Thresholds

- Would speed up contract awards by about two months
- Council has already approved the projects and contracts in the budget or CIP
- Council does not have the authority to select different bidders; can only reject all or cancel the project



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Questions?

