

## COMMITTEE ON BILLS ON SECOND READING

**May 10, 1999**

**6:00 PM**

Chairman Wihby called the meeting to order.

The Clerk called the roll.

**Present:** Aldermen Wihby, Sysyn, Shea, Cashin

**Absent:** Alderman Klock

**Messrs.:** Assistant Solicitor Arnold, Rich Davis

Chairman Wihby addressed item 3 of the agenda:

Ordinance amendment:

"Amending the Code of Ordinances of the City of Manchester by adding to Chapter 39: Procurement Code a provision to allow the City to contract for services required by the City."

Mr. Davis stated I'm sorry that the Planning Director isn't here to talk about it, Tom Clark is out in the hall and I think he probably wanted to address this also because it was initially supported by our Board and was developed by Tom and Bob MacKenzie. One of the things that this will allow is for the City to contract directly with Intown Manchester for services rather than having to go out for bids...this was back before my time, I guess, but I understand that originally when they did this they did it under the terms of the Procurement Code as it now stands and found it was confusing because they got bids in from engineering companies, etc. and then they got a bid from our not-for-profit to manage the Intown District. I guess the feeling was that it's a very specialized type of service...Planning would rather not have to write out a Request for Proposals (RFP's) if in fact there are not more than one agency in the vicinity it wants to contract with to do this work.

Assistant Solicitor Arnold stated I really couldn't add much, it basically adds provision to the special purchasing procedures under the act and would allow the City to negotiate with a non-profit like Intown or, for instance, like the Housing Authority where we may have special relationships, so to speak.

Alderman Cashin asked what's the difference between the way we're doing it now and what you're asking us to do.

Mr. Davis replied no difference. If we didn't adopt this, the City would have to write RFP's which would have to be publicly advertised and certainly we would have to write one and anyone else who may want to manage the Intown District would have to come forward at that point and make their case.

Alderman Cashin in reference to the Ordinance -- "Such direct contracting shall be under the Community Improvement Program..." stated that's not the Committee, who is the Community Improvement Program.

Assistant Solicitor Arnold replied the Community Improvement Program is a City program, as you know, under the direction of the CIP Committee.

Alderman Cashin asked does this give the authority to the CIP Committee or does this give the authority to Planning.

Assistant Solicitor Arnold replied it would give it to CIP. Now, the CIP Program is part of Planning.

Alderman Cashin stated it seems to be that the Board of Aldermen are giving up some responsibility and some authority to the Community Improvement Program which could be the Planning Department.

Assistant Solicitor Arnold stated I guess you're not giving up anything because... the Board of Mayor and Aldermen still has its authority over CIP or over Planning. It would be like my office contracting with somebody, if you say we can do it directly, it's not giving up authority oversight you have over the office and likewise it's not giving up authority oversight you have over the Program.

Alderman Cashin stated the CIP Committee generally would come with a recommendation to the full Board, would be acted on and approved by the full Board.

Assistant Solicitor Arnold stated for a multi-year contract, yes.

Alderman Cashin stated Planning on a day-to-day basis, I'm sure they do some negotiating and it doesn't come to the full Board.

Assistant Solicitor Arnold commented yes.

Alderman Cashin stated I don't want to put myself in a position where that's being done without the full knowledge and authority of the Board of Aldermen. If you're telling me that I don't have to worry about it, okay, fine I'll go along with it. But, that's not the way I interpret this.

Alderman Shea stated the first part of that is "Amend the code of Ordinances of the City of Manchester by adding to Chapter 39: Procurement Code the following:" this is Special Purchase Procedures...now, what is the limit of Special Purchase Procedures, is it \$1,000, is it \$50,000.

Assistant Solicitor Arnold replied this is one section of the Special Purchase... unfortunately, I did not bring my Code with me (Mr. Davis gave him a copy). Special Purchases doesn't deal with the small amounts that you're talking about, that's a different section. Special Purchase deals with things like an emergency, if there is an emergency you don't have to go out for bids. You can use a government contract rather than going out for bids. For instances, State contracts - those types of special procedures, it doesn't deal with dollar amounts.

Alderman Shea asked are there examples you could give that would be some indication of what a Special Purchase Procedure is.

Assistant Solicitor Arnold replied sure. For instance, the one that usually comes to mind is the State goes out and contracts for a multiple of services (i.e., tires, office equipment, etc.). For instance, if the State has a contract with a tire supplier which I know they do, than rather than going out for RFP's the City could piggyback on that and use the State contract to purchase tires for the Highway Department, that type of thing. Emergency procedures are when because of an emergency unforeseen you don't have time to go through the full RFP process, you can make a procurement without going through the whole RFP because it's an emergency, you don't have time to do that. Those are the two that I deal with normally, also things like sole source procurement...if there's only one seller of what you're trying to buy. You obviously don't have to go out for RFP's or bids for that for obvious reasons.

Alderman Shea stated if the City were to deal with the State, the State is considered a not-for-profit organization in this instance, is that what you're saying.

Assistant Solicitor Arnold replied no. I'm saying that under Special Procedures there is already a provision allowing you to use a State contract to procure goods or services. This is merely adding another section under Special Procedures which

would provide that the competitive bidding process doesn't apply where you're dealing with a non-profit organization with the qualification that it has to be under CIP or under Special Assessment Districts. So, basically what the purpose is is to get you away from the competitive bidding process specifically having to go out to bid and get respondents where you know you're probably going to be dealing with a non-profit such as 1037 Elm Street.

Mr. Davis stated I can't speak for other entities that the City might want to contract with, but in Intown's case we are just wrapping up a three-year contract and I assume the City is, within the next sixty (60) days is going to rewrite another contract for some period of time. Now, once they do that that contract still has to be approved by the Board of Mayor and Aldermen.

Alderman Cashin asked what's he need this for.

Assistant Solicitor Arnold replied the need for, ordinarily when you deal with a non-profit such as Intown in order to do a contract we have to go out for bid, we have to put together an RFP I presume in a case such as Intown, publish it in the paper, send out notices, and see who we get back for responses and then go through a negotiating process with two or three bidders.

Alderman Cashin stated you're telling me that by "Amending the Code of Ordinances of the City of Manchester by adding Chapter 39: Procurement Code a provision to allow the City to contract for services required by the City" will give you or the City the right not to go out for proposals, is that what you're telling me.

Assistant Solicitor Arnold replied it wouldn't mandate that we not go out for proposals but it would provide that we did not have to. The Special Purchase provision...what (A) (9)...if you look back...(A) starts off by the "Competitive Bidding Process shall not apply to the following special purchases:" and it adds that to the list that is already here.

Alderman Cashin stated that is the only change in this thing.

Assistant Solicitor Arnold stated subject to the provisions of (9) yes.

Alderman Cashin asked would you have a problem if this read: "Such direct contracting shall be under the Committee on Community Improvement" as opposed to Community Improvement Program, amend it.

Assistant Solicitor Arnold replied I am not here to advocate one way or the other. You can certainly amend it and make your report.

Alderman Cashin asked who's bringing this in.

Chairman Wihby replied this was referred to us by the Committee on Administration.

Alderman Cashin asked how did Administration get it.

Mr. Davis replied it was proposed to them by Planning with a review of the attorney's office.

Assistant Solicitor Arnold stated we've looked at it, it's basically a policy decision.

Chairman Wihby asked three years ago when we signed the additional contract,, was that the additional contract or was the first and there was no other bidders anyway, right. Oh, there was.

Mr. Davis replied there was a consulting company who wanted to do that job.

Alderman Cashin stated all I'm trying to do here, is keep some control at the Board of Aldermen level and I don't feel by the way this is worded that there is any control at the Board of Aldermen level.

Mr. Davis stated that is my question, Tom. Is there any way here than Planning, for instance, can go out and write a contract that wouldn't have Board approval under this.

Assistant Solicitor Arnold replied it would have to be less than a year.

Alderman Cashin stated if it was less than a year, they could go ahead and do it.

Chairman Wihby asked could they do a second year after that, less than a year.

Assistant Solicitor Arnold replied the Procurement Code, as you know, provides that you can extend a contract from year-to-year as long as the price and the terms do the same as the prior year. So, I suppose theoretically, yes that could happen. If they went out and got a one-year contract they could extend it from year-to-year or since under this provision, at least, since they don't have to competitively bid or ask for competitive proposals they could negotiate a new contract for one year.

Alderman Shea asked could we amend it to read: "Such direct contracting shall be under the Community Improvement Program/CIP Committee."

Alderman Cashin asked why not just the CIP Committee.

Alderman Shea replied I'm not sure if the individuals that deal with the Community Improvement Program, the Planning Board would not have to bring that up to the CIP Committee.

Alderman Cashin stated according to this, I read this that the Planning Department could approve this without the approval of any Board or Committee.

Alderman Shea stated I'm saying that planning could go on with the Planning Board, but it would have to be approved or submitted to the CIP Committee for approval.

Alderman Cashin stated that is exactly what I wanted. If I can get that, I have no problems. You don't have a problem with that, Rich.

Mr. Davis replied no.

Alderman Cashin stated is that the way this reads, that's not the way I interpret it.

Assistant Solicitor Arnold stated it says "the Program", so that does not I think mean the Committee.

Alderman Cashin stated I want it to read "the Committee".

Assistant Solicitor Arnold reiterated that's a policy decision by the Board.

Alderman Cashin asked can we amend this tonight, this didn't do to a public hearing did it.

Alderman Cashin moved to recommend that the Ordinance ought to pass as amended to read "under the Committee on Community Improvement". Alderman Shea duly seconded the motion.

Chairman Wihby asked did you want to keep the rest of that sentence in there, I don't know what that means.

Alderman Cashin stated I don't know either; that was my next question.

Assistant Solicitor Arnold replied "or under special assessment districts as necessary to provide services for such districts."

Alderman Cashin asked so what does that mean, Elm Street can do what they want.

Mr. Davis replied I don't think so, it's the way it read.

Alderman Cashin stated can we just end it under Committee on Community Improvement and then if we have a problem we can always look at it again.

Mr. Davis stated I don't know what Planning was thinking here, except they want Special Assessment District such as Intown or other districts as they develop to be able to provide those services and be able to make decisions under sub-contract which is what they may have been thinking of.

Chairman Wihby called for a vote on the motion. There being none opposed, the motion carried.

There being no further business to come before the Committee, on motion of Alderman Shea, duly seconded by Alderman Cashin, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee