



King County

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| Title Reform of Procurement and Contract Business Processes | Document Code No. CON 7-12 (AEO) |
| Department/Issuing Agency Executive Office | Date March 11, 2010 |

WHEREAS, a key element of the reform agenda for King County government is to reform the procurement and contract business process; and

WHEREAS, procurement and contract business process reform is consistent with the Countywide Strategic Plan's vision of "a diverse and dynamic community with a healthy economy and environment where people and businesses have the opportunity to thrive"; and

WHEREAS, the reform will contribute to three major countywide goals: (1) financial stewardship by ensuring the effective, efficient and transparent use of public funds; (2) service excellence by making it easier to do business with the county; and (3) a vibrant economy by providing greater opportunities for small, disadvantaged, and minority-owned and women-owned businesses to compete for and obtain county contracts; and

WHEREAS, the vision for a new procurement system is to use new technologies to replace an antiquated paper-base system, leverage the county's buying power, and reduce the cycle time it takes to develop and implement contracts; and

WHEREAS, we must reach out to our business community about how to improve the county's procurement and contract management process and sustain a network of collaboration focused on results; and

WHEREAS, small business support and a strong base of diverse contractors and suppliers is a Foundation Initiative of the Regional Economic Strategy for the Central Puget Sound Region; and

WHEREAS, we are committed to partnering with other public agencies to develop a seamless, single entry-point certification and participation of small businesses.

NOW, THEREFORE, I, Dow Constantine, King County Executive, do hereby order and direct the Deputy County Executive to initiate and sponsor a procurement reform initiative as follows:

1. The Deputy County Executive is hereby directed to:
 - a) Lead a Procurement Reform Steering Committee comprised of the Executive Leadership Team and the County Administrative Officer to establish management direction, eliminate implementation barriers, and track the progress of the procurement reform initiative;

- b) Assign the Director of the Finance and Business Operations Division (FBOD) as project manager for the procurement reform initiative to develop, execute, and report on recommendations for procurement reform.
 - c) Appoint a Procurement Reform Work Group comprised of representatives from county departments to assist the FBOD Director in managing the reform initiative, developing annual work plans, ensuring execution throughout county government, and providing summary reports to the Procurement Reform Steering Committee.
2. The FBOD Director is hereby directed to:
- a) Develop, execute, and report on recommendations for procurement reform to the Procurement Reform Steering Committee.
 - b) Develop a Procurement Reform Work Group (by 2nd quarter 2010) for adoption by the Procurement Reform Steering Committee that includes items such as purpose, scope, membership, responsibilities, number of positions, meeting schedule, and subcommittee structure.
 - c) Chair the Procurement Reform Work Group.
 - d) Develop annual work plans for review by the Procurement Reform Work Group and Procurement Reform Steering Committee with specific deliverables and deadlines for implementing the scope of the procurement reform initiative (complete initial work plan by 2nd quarter 2010).
 - e) Develop an outreach plan for review by the Procurement Reform Work Group and Procurement Reform Steering Committee that includes actions and strategies for obtaining input for the procurement reform initiative from designated external stakeholders. The outreach plan shall include solicitation of input regarding various types of procurements and contracts such as architecture and engineering (A/E), public works construction, goods and services, information technology (IT), and consulting services.
3. The Department Directors are hereby directed to:
- a) Champion and fully support the efforts of the procurement reform initiative, including participation (or delegated participation) as part of the Procurement Reform Work Group.
 - b) Follow through and accept accountability for reporting requirements and departmental portions of the annual work program
 - c) Recommend ideas and suggestions for achieving and sustaining the intended results, including collaborative support for reducing barriers, promoting outreach, and implementing innovative best practices.
4. The scope of the procurement reform initiative shall include, at a minimum, the following:

a) Enhanced Use of Technology such as:

- Clarifying how new technologies will potentially change the roles and responsibilities between the central procurement staff and department staff.
- Identifying how the county's Accountable Business Transformation (ABT) project will transform the county's procurement process into new ways of doing business, consistent with public and private best practices (by 4th quarter 2010).
- Notifying vendors, via the internet, of upcoming bid invitations, including direct notice to vendors capable of providing particular goods or services.
- Leveraging the county's buying power by sourcing vendors for high-volume commodities and combining purchases among departments.
- Using and developing cooperative purchasing agreements with other jurisdictions throughout the region to reduce unit costs.
- Implementing new payment mechanisms, such as the P-card, to take full advantage of supplier discounts.
- Using exception and other reports to analyze county spending and eliminate purchasing inefficiencies

b) Partnerships with Other Public Agencies such as:

- Continuing to hold the annual Regional Contracting Forum in collaboration with other public agencies to provide information on upcoming public contracting opportunities, access to public procurement specialists, and networking opportunities for prime and subcontractors.
- Expanding the county's quarterly Small Contractor and Supplier orientation meetings by inviting representatives from other public agencies to participate and share their procurement information.
- Championing the development of common application forms, common certification standards, and other synergies with other jurisdictions.

c) Contractor Development and Increased Opportunities for Small, Disadvantaged, Minority- and Women-Owned Businesses such as:

- Providing training, as necessary, to contractors on new contract management tools to increase skills and streamline the contracting process.
- Establishing voluntary goals for using minority- and women-owned businesses on county-funded construction projects where the county has established a requirement to use county-certified small contractors and suppliers (immediate implementation in 2010).

- Establishing a goal for county departments to make at least fifty percent (50%) of direct voucher goods and services purchases (noncompetitive purchases under \$5,000) from county-certified small businesses to the extent these businesses are available (immediate implementation in 2010).
- Establishing a goal for county departments to obtain at least one quote from a county-certified small business for goods and services purchases between \$5,000 and \$24,999 to the extent these businesses are available (immediate implementation in 2010).
- Expanding outreach efforts to prime and disadvantaged contractors prior to bid submittal date and clarify and simplify bid specifications on how to meet the Disadvantaged Business Enterprise goals for federally-funded projects (immediate implementation on upcoming projects).

d) Cycle Time Efficiencies such as:

- Training for county employees in writing scopes of work, conducting negotiations, and other areas that can reduce cycle time.
- Developing new rules and structures to elevate and resolve issues, including the option of establishing internal procurement resolution board(s) for various types of procurements.
- Expediting the contract negotiation phase.
- Implementing parallel procurement procedures.
- Eliminating outdated or superfluous paper forms.

e) Codes and Standards such as:

- Proposing changes to King County Code (KCC) based on best practices, including an evaluation of current forms and other KCC code requirements that can be barriers for businesses.
- Emphasizing user-friendly Requests for Proposal, Invitations to Bid, and other procurement documents.
- Continually improving contract boilerplates for various types of procurements with the goal of minimizing and standardizing contract language.
- Proposing new benchmark performance standards based on both public and private procurement processes.

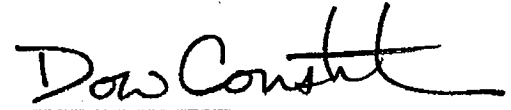
f) Accountability and Reporting such as:

- Ensuring county departments are aware of the changes and recommendations for procurement and contract business process reform.
- Assigning responsibility to county departments for meeting and implementing newly-established timeframes, processes, and goals.
- Working with departments to develop a reporting structure to measure their progress toward meeting new timeframes and goals.

Executive Office
Effective Date: March 11, 2010

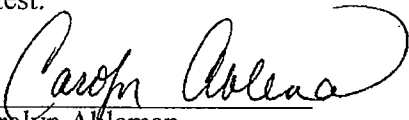
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Dated this 11th day of March, 2010.



Dow Constantine
King County Executive

Attest:



Carolyn Ableman
Director, Records and Licensing Services Division

