Procurement Without Rules: A Construction Case Study of Public Procurement Values and Principles in Practice
What does public procurement look like when you don’t have any rules?
There is more going on here than meets the eye...
Poll Question:
What was your lemon procurement?
When a lemon is more than just a lemon
CM/GC
ORS 279C.337 / PCRB 49-0690

• Additional Risk transfer to Contractor vs. Design/Bid/Build

• 2 phase process when contractor involved in pre-construction phase

• Guaranteed Maximum Price (GMP) for cost control
Emergency Procurement
ORS 279B.080 / PCRB 47-0280

• Alleviates a situation in which there is a threat to health, welfare, or safety

• No time for normal competitive purchasing procedures
Poll Question:

What kind of emergencies have you been involved with?
Values and Guiding Principles

Guiding Principles establish the fundamental norms, rules, or ethics that represent what is desirable (values) and affirmative for our profession and help us determine the rightfulness or wrongfulness of our actions.
Presenting Problem

• Intersection of Homelessness and Behavioral Health

• Service Gap

• Downtown

• Timeline is Quite Urgent
Downtown Behavioral Health Resource Center

Programming:
Resource Center/Day Center
Mental Health Shelter
Transitional Housing
Admin/Laundry/Outdoor Space

Remodel – 27,000 square feet
So what do you do when there are no rules?
Where do you start?
Poll Question:

If this project landed on your desk, what questions would you have?
How do you streamline the process?
Timeline: 68 Days (just shy of 10 weeks)

6/24/19 Official Approval given by Chair
7/3/19 1st Draft RFP and Contract
7/16/19 (Tuesday) RFP Release Date
8/6/19 RFP Closed- Open for three weeks, no extensions, deadline for questions 4 days before closing
8/9/19 Materials given to Evaluators - 5 days to Evaluate
8/15/19 Evaluation Meeting
8/22/19 Oral interviews the following week
8/26/19 Scores summarized & award made to highest points. Award letter & contract sent.
8/30/19 Contract signed/done
Who gets to participate?

Impartiality – Unbiased decision-making and action….essential to ensure fairness for the public good.

Be open, fair, impartial, and non-discriminatory in all processes.
What are we asking contractors for?

Service – Obligation to assist stakeholders….essential to support the public good

Maintain a customer-service focus while meeting the needs and protecting the interests of the organization and the public.
Who gets to decide?

Accountability – Taking ownership and being responsible to stakeholders for our actions...essential to preserve the public trust and protect the public interest.

Use procurement strategies to optimize value to stakeholders.
Who gets to decide?

Transparency – Easily accessible and understandable policies and processes...essential to demonstrate responsible use of public funds.

Provide timely access to procurement policies, procedures, and records.
Negotiating the contracting – or not

Ethics – Acting in a manner true to these values...essential to preserve the public’s trust.

Act and conduct business with honesty and integrity, avoiding even the appearance of impropriety.

Gets to Participate?

Impartiality – Unbiased decision-making and action....essential to ensure fairness for the public good
There is only do or do not

Professionalism – upholding high standards of job performance and ethical behavior….essential to balance diverse public interests.

Develop, support, and promote the highest professional standards in order to serve the public good.
Lessons Learned

“We learned how to weigh the end result against the task at hand by looking at it from a moral perspective and weighing the “can we” against the “Should we” when making decisions in emergency exception situations.”
Having the right people on the team

Professionalism

- Procurement
- Legal
- Purchasing Manager
Utilizing existing procurement and contract documents

Accountability
Allowing oral evaluation handouts

Impartial vs. Services
Contract material changes must be identified with the proposal

Accountability and Service
Values and Guiding Principals

Accountability
Ethics
Impartiality
Professionalism
Service
Transparency
As Procurement Professionals we will always have lemons given to us.

Whether we suck on them or make lemonade is entirely up to us.
When you don’t have any rules you still have Guiding Principals
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Thank you!