

COUNCIL WORK SESSION

City Hall Council Chambers, 10722 SE Main Street
& Zoom Video Conference (www.milwaukieoregon.gov)

MINUTES

MARCH 15, 2022

Council Present: Councilors Lisa Batey, Angel Falconer, Desi Nicodemus, Council President Kathy Hyzy, and Mayor Mark Gamba

Staff Present: Kelly Brooks, Assistant City Manager
Bonnie Dennis, Administrative Services Director
Jennifer Garbely, Assistant City Engineer
Justin Gericke, City Attorney

Jon Hennington, Equity Program Manager
Ann Ober, City Manager
Scott Stauffer, City Recorder
Kelli Tucker, Accounts & Contracts Specialist

Mayor Gamba called the meeting to order at 4:00 p.m.

1. Equity Procurement Rules – Update

Hennington explained the proposed changes to the city's public contracting rules related to Oregon Revised Statute (ORS) 279A.100 and the state's Certification Office for Business Inclusion and Diversity (COBID). **Councilor Batey** and **Hennington** discussed COBID eligibility for businesses.

Tucker shared how the city created and added equity into the procurement rules by looking to methods Metro and Portland State University (PSU) used in their equity in public contracting models. For small and direct appoint procurements and intermediate procurements staff will be asked to consider COBID eligible businesses, but for formal procurements staff must include equity and diversity in solicitation and selection criteria. Certain procurements will remain excluded, such as emergency and public improvements for construction.

Hennington presented ways the city looks to reach businesses not currently COBID-certified, sharing plans for a waiver that would be issued to eligible businesses. Other outreach activities would include providing guidance on how to become COBID certified as well as bonding and insurance, contracting opportunities, and training city staff on equity and inclusion objectives. Staff plans to issue an annual contract report totaling funds spent on goods and services and what percentage went to disadvantaged businesses.

Tucker and **Hennington** addressed other areas where the contracting rules would be updated, such as adding definitions, explaining how submissions can be made, and revising inclusive language. **Tucker** shared resources that would be available to staff such as templates, a COBID directory of certified businesses, and considerations for contractor requirements and imposing penalties for contract termination.

Mayor Gamba and **Tucker** noted when the city pays the prevailing wage on its contracts and if the city confirms if subcontractors are also paying the prevailing wage.

Councilor Nicodemus raised concerns regarding barriers businesses face when seeking to become COBID certified. **Hennington** provided examples of barriers discovered while updating the procurement rules, shared observations on the state's outdated policies and procedures, and highlighted how the city is trying to bridge the gap with a COBID waiver.

Councilor Batey, Tucker and **Hennington** discussed how the city advertises to businesses when going out for procurement. **Garbely** and the group discussed the process for awarding contracts.

Councilors Batey and Falconer and **Tucker** went over the contract amount threshold that would trigger when the city would generate monthly project reports.

Councilor Batey and **Tucker** discussed the definition of debarred versus excluded.

Councilor Batey brought attention to the dollar threshold for intermediate procurements and the city manager's current signing authority. **Ober** and **Tucker** stated they would follow-up with Council regarding Batey's question.

Hennington commented on the importance of removing exclusionary language from contracts and how the city is looking to companies like Google for guidance.

Mayor Gamba expressed frustration regarding how funds for capital improvement projects would be awarded equitably under the new guidelines. **Ober** addressed concerns by providing examples where the new procurement rules have already been applied such as with the new Ledding Library building, the new city hall, and current park projects. **Ober** remarked on the struggle with road construction project contracts.

It was noted that Tucker and Hennington would return to Council after sharing the new procurement rules with the Equity Steering Committee (ESC).

2. New City Hall – Update

Brooks presented an updated timeline for the new city hall project, reporting on plans for a third-floor major renovation, moderate improvements to the second floor, and discussions about the downstairs space. **Brooks** explained that the current focus is on developing a project management plan that ties into stakeholder engagement. Most stakeholder engagement work for the city hall project is internal, so staff committees and task forces will be used in conjunction with a space utilization study.

Brooks stated the city would have the design contract in place this spring and explained that staff had determined the city had internal capacity to manage the project and did not need an owner's representative.

Brooks discussed next steps suggesting that by summer 2022 the design contract should be in place and possibly a subcontract for architectural services. Design work needed to be done by fall 2022 so a bid can be submitted, and construction and renovation can begin as soon as the city takes possession of the building in January 2023. Spring and Summer 2023 will be managing construction, planning for relocation, and focusing on furnishings. After moving into the building in Fall 2023, the city will hold a grand opening to show how the public can use the new city hall's community spaces.

Brooks reviewed what staff members are involved in the project and explained when Council would see a contract for the project and would be asked to provide input on the building design. **Council President Hyzy** and **Brooks** discussed the project timeline, acknowledging the timeframe and budget changes. **Councilor Batey** and **Brooks** noted Advantis Community Credit Union would vacate the building at the end of 2022.

Mayor Gamba, Brooks, and **Ober** discussed in what capacity the natural gas is being used at in the new building, and staff indicated that a backup generator runs on gas.

3. Adjourn

Mayor Gamba adjourned the meeting at 5:00 p.m.

Respectfully submitted,



Nicole Madigan, Deputy City Recorder