

ORDINANCE NO. 743

AN ORDINANCE ESTABLISHING A LOCAL CONTRACT REVIEW BOARD TO REVIEW PUBLIC CONTRACTS AND MAKE RULES ABOUT CONTRACTING; ADOPTING TEMPORARY RULES FOR THE BOARD; REPEALING CONFLICTING ORDINANCES; AND DECLARING AN EMERGENCY.

THE CITY COUNCIL OF THE CITY OF CANBY, OREGON, DOES ORDAIN AS FOLLOWS:

Section 1. Contract Review Board. Pursuant to ORS 279.055 the City Council of the City of Canby is hereby designated as the City Contract Review Board. Relative to contract concerns of this City, the City board shall have all the powers granted to the State Public Contract Board.

Section 2. Temporary Rules. There is hereby adopted by the City for the purpose of establishing temporary rules governing public contracts in the City, the rules of the State Public Contract Review Board, Oregon Administrative Rules Chapter 127, in effect on the effective date of this ordinance as specifically modified by Section 3 of this ordinance, one copy of which is filed in the Office of the City Recorder. These temporary rules shall remain in effect until such time as the City Contract Review Board adopts, by resolution, rules to supercede any portion or all of said temporary rules.

Section 3. Temporary Rules Modifications. Chapter 127 of the Oregon Administrative Rules, adopted by Section 2 of this ordinance as the temporary rules of the City Contract Review Board, is specifically modified as follows:

- (1) All references to "public contracting agency" shall be references to the City of Canby.
- (2) All references to "public contract review board" or "board" shall be references to the City Council of the City of Canby acting in its capacity as the City Contract Review Board.

(3) All requirements for reporting or the giving of notice by the public contracting agency to the public contract review board are specifically deleted.

(4) OAE 127-60-001 through 127-90-020 are specifically not adopted as temporary rules of the City Contract Review Board.

Section 4. Conduct of Business. The City Council acting as the City Contract Review Board shall conduct its business in a manner consistent with the requirements of this ordinance and in the same manner as it conducts other Council business. The requirements of this section may be modified at such time as the Board adopts rules to supercede the Board's temporary rules adopted by Section 2 of this ordinance.

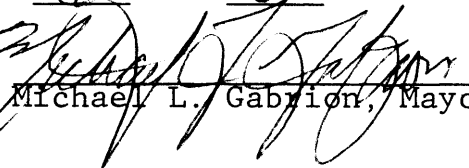
Section 5. Conflicting Ordinances Repealed. Ordinance No. 600 enacted January 5, 1976, and all other ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

Section 6. Emergency Clause. This ordinance being necessary for immediate preservation of the public peace, health and safety, an emergency is hereby declared to exist and this ordinance shall take effect immediately upon its passage on final reading by the City Council and approval by the City Council.

SUBMITTED to the Canby City Council and read the first time at a regular meeting thereof on Wednesday, February 15, 1984, and ordered posted as provided by the Canby City Charter and scheduled for second reading and action of the City Council at a regular meeting thereof on Wednesday, March 7, 1984, commencing after the hour of 7:30 P.M. at the Council Chambers at Canby City Hall.


Marilyn K. Perkett, Deputy Recorder

ENACTED by the Canby City Council on the 7th day of March, 1984, by the following vote: YEAS 6 NAYS 0


Michael L. Gabriion, Mayor

ATTEST:


Marilyn K. Perkett, Deputy Recorder

**OREGON ADMINISTRATIVE RULES
PUBLIC CONTRACT REVIEW BOARD**

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OREGON ADMINISTRATIVE RULES
CHAPTER 127, DIVISION 10 — PUBLIC CONTRACT REVIEW BOARD

DIVISION 10

Stat. Auth.: ORS Ch. 279
Hist: PCRB 13-1981, f. & ef. 7-1-81

**CONTRACTS EXEMPT FROM
COMPETITIVE BIDDING AND
REQUIREMENTS CONTRACTS**

Exemptions and Definitions

127-10-010 All public contracts shall be based upon competitive bidding except the following:

(1) Contracts made with other public agencies or the federal government.

(2) Contracts which are exclusively for personal services. Such contracts may include incidental materials such as written reports, architectural or engineering renderings and similar supplemental materials.

(3) Contracts specifically exempt under the following provisions of these rules:

(a) Rule 127-10-020 — Exemption of Contracts Under Certain Dollar Amounts.

(b) Rule 127-10-030 — Emergency Contracts.

(c) Rule 127-10-040 — Contracts For Price Regulated Items.

(d) Rule 127-10-060 — Copyrighted Materials.

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(l) Rule 127-10-145 — Affirmative Action Contracts.

(m) Rule 127-10-150 — Contract Amendments (Including Change Orders and Extra Work).

(n) Rule 127-10-160 — Specific Exemptions.

(4) As used in this section:

(a) "Competitive bidding" means the solicitation by the public contracting agency of competitive offers which follow the formal process for advertising, bid, and bid opening required by ORS Chapter 279, and applicable rules of the Public Contract Review Board;

(b) "Competitive quotes" means the solicitation of offers by the public contracting agency from competing vendors. The solicitation may be by advertisement or by the public contracting agency initiating a request to vendors to make an offer. The solicitation and the offer may be in writing or oral.

Stat. Auth.: ORS Ch. 279

Hist: PCRB 1, f. 12-23-75, ef. 1-1-76; PCRB 6, f. & ef. 4-8-76

Life Cycle Costing

127-10-015 (1) In determining the lowest responsible bidder, in the award of a contract, a public contracting agency may use the concept of life cycle costing if it complies with section (2) of this rule. As used in this rule, life cycle costing means determining the cost of a product for its useful life.

(2)(a) Prior to the time of writing specifications for the product, the public contracting agency shall identify those factors which will have cost implications over the life of the product.

(b) The Invitation to Bid shall clearly set out the factors and methodology to be used in life cycle cost adjustments.

(c) At or after the formal bid opening, the results of life cycle costing adjustments shall be applied to the base bid, and the bidder whose total bid results in the lowest ownership cost, taking into account the life cycle costing adjustments, shall be considered the lowest responsible bidder.

Exemption of Contracts Under Certain Dollar Amounts

127-10-020 (1) Public contracting agencies may, in their discretion, let public contracts for the purchase of goods, materials, and supplies which contain no element of personal service, except personal service in connection with the repair and maintenance of office equipment, without competitive bidding if the agency has determined that the awarding of the contract without competitive bidding will result in cost savings and the following conditions are complied with:

(a) The amount of the contract does not exceed \$10,000, is for a single project, and is not a component of or related to any other project.

(b) When the amount of the contract does not exceed \$500, the public contracting agency should, where feasible, obtain competitive quotes.

(c) When the amount of the contract is more than \$500 but less than \$10,000, the public contracting agency must obtain a minimum of three competitive quotes. The public contracting agency shall keep a written record of the source and amount of the quotes received. If three quotes are not available a lesser number will suffice provided that a written record is made of the effort to obtain the quotes.

(d) No contractor may be awarded in the aggregate within the fiscal year contracts in excess of \$30,000 without competitive bidding. In computing the aggregate under this subsection, awards under \$500 shall not be included.

(2) Public contracting agencies may, in their discretion, let public contracts for construction, maintenance, repair, or any contract containing an element of personal service (other than contracts for repair and maintenance of office equipment which are covered under section (1) and contracts for road, highway, or parking lot maintenance covered under section (3)) without competitive bidding if the agency has determined that the awarding of the contract without competitive bidding will result in cost savings and the following conditions are complied with:

(a) The amount of the contract does not exceed \$5,000, is for a single project, and is not a component of or related to any other project.

(b) When the amount of the contract does not exceed \$500, the public contracting agency should, where feasible, obtain competitive quotes.

(c) When the amount of the contract is more than \$500 but less than \$5,000, the public contracting agency must obtain a minimum of three competitive quotes. The public contracting agency shall keep a written record of the source and amount of the quotes received. If three quotes are not available, a lesser number will suffice provided that a written record is made of the effort to obtain the quotes.

(d) No contractor may be awarded in the aggregate within the fiscal year contracts in excess of \$20,000 without competitive bidding. In computing the aggregate under this subsection, awards under \$500 shall not be included.

(3) Public contracting agencies may in their discretion let public contracts, not to exceed \$25,000, for road, highway, or parking lot maintenance without competitive bidding if the public contracting agency obtains a minimum of three competitive quotes. The public contracting agency shall keep a written record of the source and amount of the quotes received. If three quotes are not available, a lesser number will suffice provided a written record is made of the effort to obtain the quotes.

Stat. Auth.: ORS Ch. 279

Hist: PCRB 1, f. 12-23-75, ef. 1-1-76; PCRB 2, f. & ef. 2-19-76; PCRB 6, f. & ef. 4-8-76; PCRB 4 1979, f. & ef. 1-3-79; PCRB 13-1979, f. & ef. 4-2-79