

# CRA PURCHASING

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CRA BOARD MEETING  
DECEMBER 21, 2009



# INTRODUCTION

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- ❑ Where are we now
- ❑ What's available
- ❑ Next steps



# OBJECTIVES

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- ❑ Provide clarity on the CRA's purchasing process
- ❑ Cover the procurement methods available to the CRA
- ❑ Discuss how we'd like to proceed



# WHERE ARE WE NOW?

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- ❑ CRA has the legal authority to create and adopt its own purchasing policies and procedures
- ❑ In the absence of it's own policy the CRA has adopted the City's (General Government) purchasing policy
  - Must adhere to guidelines set by City Commission, for example:
    - ❑ Dollar limits requiring approval
    - ❑ Methods of procurement
    - ❑ City's centralized purchasing
- ❑ City's methods tend to be standardized and geared towards straightforward bids
- ❑ Approximately 90% of what the CRA procures are services that can be unique and vary by project
- ❑ CRA staff have been encouraged to streamline their procurement process in order to move projects forward
  - Take advantage of available underutilized methods immediately
  - Address CRA purchasing policy



# WHAT'S AVAILABLE?

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## INVITATION TO BID (ITB)

- ❑ Used for commodities/services that are well-defined
- ❑ Can be used for annual contract resulting in multiple awards
- ❑ Creates a contract
- ❑ Award based on lowest price (provided minimum criteria is met)
- ❑ Fairly quick and straightforward
- ❑ Low bid is not always “best value”



# WHAT'S AVAILABLE?

## CONT'D

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### REQUEST FOR PROPOSALS (RFP)

- ❑ Used when the need is not specifically defined
- ❑ RFP describes the desired result and the vendors propose a solution
- ❑ Evaluation based on specifically-stated criteria
- ❑ Price is not the sole consideration
- ❑ Allows evaluation of factors other than price



# WHAT'S AVAILABLE?

## CONT'D

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### REQUEST FOR QUALIFICATIONS (RFQ)

- ❑ Similar to RFP process except based solely on qualifications
- ❑ Utilized for the acquisition of professional services
- ❑ Final selection is based on the perceived ability of the firm to best achieve the desired outcome
- ❑ Pricing is negotiated after the award
- ❑ Awarded firm(s) should have the breadth of experience and project personnel to successfully complete the project



# WHAT'S AVAILABLE?

## CONT'D

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### INVITATION TO NEGOTIATE (ITN)

- ❑ Similar to RFP
  - Used when the need is not specifically defined
  - Price is not the sole consideration
  - ITN describes the desired result and the vendors may provide more than one solution
- ❑ CRA has the ability to negotiate
- ❑ Award is ultimately made based on best value for the agency





# WHAT'S AVAILABLE?

## CONT'D

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### “PIGGYBACKING”

- ❑ “Piggybacking” is the use of a competitively bid contract
- ❑ If a vendor can provide pricing based on a competitively bid contract then it does not necessarily require a public solicitation
  - State agencies, public agency cooperative purchasing, other municipalities, universities, etc.
- ❑ Expedites the procurement process
  - Pricing and terms already defined



# WHAT'S AVAILABLE?

## SUMMARY

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METHOD	WHEN IS IT USED?	INTENT	SELECTION CRITERIA	PAST EXAMPLES	CURRENTLY USED?
Invitation to Bid (ITB)	Well-defined commodities or services	Get the best price	Lowest price	Eastside Gateway	Y
Request for Proposal (RFP)	Need is not specifically defined	Describe desired result and vendor proposes a solution	Evaluation based on stated criteria and price is not sole consideration	Bethel Station, Hampton Inn, Lot 10 (Gainesville Greens)	Y
Request for Qualifications (RFQ)	Acquisition of professional services	Based on the perceived ability of the firm to best achieve the desired outcome	Similar to RFP but based solely on qualifications (pricing negotiated after award)	Annual contracts for architects, engineers and construction managers	Y
Invitation to Negotiate (ITN)	Similar to RFP used when need is not specifically defined	Describe desired result and vendors provide more than one solution	Price is not sole consideration and agency negotiates best value	None	N
Piggybacking	When another agency has a publicly and competitively solicited contract for a desired commodity or service	Expedites procurement (price and terms are already defined)	Vendor must extend contract rates and terms to agency, contract must be valid and agency must acquire bid and contract documentation for files	SW 7 <sup>th</sup> Ave., GRU uses CRA's CM contract for minor projects	Y

# NEXT STEPS...

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- ❑ Fully utilize the procurement methods available to the CRA
  - In the short-term, ITN's and piggybacking on other state and local contracts will help expedite CRA projects and maximize efficiency in operations
- ❑ Begin revising the CRA purchasing policies and procedures and report back to the CRA Board
  - Set policies and procedures that reflect the goals of our redevelopment areas
    - ❑ Ex. Sustainability initiatives that minimize environmental impacts of our work



# RECOMMENDATION

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- Hear presentation from CRA staff

