3/18/2024 | 7:00 PM

Municipal Services Center, Council Chamber
3600 Tremont Road

If you are joining through Zoom, please click the link below to join the meeting:
https://us06web.zoom.us/j/88268224042
Or Telephone: 1 929 205 6099
Webinar ID:882 6822 4042

1. Call to Order/Roll Call

2. Pledge of Allegiance led by Council Member Kathy Adams

3. Consent Agenda

a. Approve City Council Meeting Minutes for March 11, 2024

4. Reports/Presentations

a. Presentation of UA Community Awards
1. Business: Little Ones Pediatric Dentistry & Dr. Nicole Johnson, presented by President Ukeme Awakessien Jeter
2. Community Enrichment: Tri-Village Lions Club & Jane Jarrow, presented by John Kulewicz
3. Community Relations: Upper Arlington Civic Association, presented by Todd Walter
4. Senior: Howard Warner, presented by Vice President Brian Close & Jim Lynch
5. Youth: Wellington School Green & Apiary Clubs, presented by Heidi Munc

b. Bob Crane Community Center Solar Panel Presentation

5. Legislative Items for Second Reading/Public Hearing/Council Action

a. Ordinance No. 21-2024 - An ordinance authorizing the City Manager to enter into contract with BBCO Design LLC, BBCO, for professional design services for facility maintenance improvements *(Munc)*

b. Ordinance No. 22-2024 - An ordinance authorizing the City Manager to enter into contract with CTL Engineering for quality assurance testing and special inspections during the construction of the Kingsdale Parking Garage *(Walter)*

c. Ordinance No. 24-2024 - An ordinance authorizing the City Manager to enter into a three-year contract with SCA of Ohio, LLC for street sweeping services *(Adams)*

6. **Legislative Items for Second Reading/Public Hearing**

   a. Ordinance No. 23-2024 - An ordinance dissolving the Upper Arlington Community Improvement Corporation

7. **Legislative Items for First Reading/Public Hearing**

   a. Ordinance No. 25- 2024 - An ordinance authorizing the City Manager to enter into contract with RAP Management and Shelly Company for the purchase of asphalt concrete materials

   b. Ordinance No. 26-2024 - An ordinance authorizing the City Manager to enter into contract with Core and Main for the purchase of fire hydrant parts

   c. Ordinance No. 27-2024 - An ordinance authorizing the City Manager to enter into contract with OpenGov, Inc. for work order and asset management software

   d. Ordinance No. 28-2024 - An ordinance authorizing a contract extension with Hiperweb for work order and asset management software for the Public Service Department

   e. Ordinance No. 29-2024 - An ordinance amending Chapter 138 - Procurement Code of the Upper Arlington Code of Ordinances

8. **City Manager Update**

9. **Council Liaison Report**

10. **Executive Session**

   a. Pursuant to O.R.C. 121.22(G)(4) - Preparing for, conducting, or reviewing negotiations or bargaining sessions with public employees concerning their compensation or other items and conditions of their employment *(motion to enter executive session, followed by a roll call vote)*

11. **Adjournment**

City of Upper Arlington

MINUTES

CITY COUNCIL MEETING

3600 Tremont Road | Upper Arlington, OH 43221
614-583-5030 | **upperarlingtonoh.gov**

March 11, 2024

City Council met in regular session in the Council Chamber of the Municipal Services Center, 3600 Tremont Road, and was called to order by President Awakessien Jeter at 7:03 p.m.

Members Present: Brian Close, John J. Kulewicz, Jim Lynch, Heidi Munc, Todd Walter, and President Ukeme Awakessien Jeter

Staff Present: City Manager Steven Schoeny, Assistant City Manager Jackie Thiel, City Attorney Darren Shulman, Finance Director Brent Lewis, Deputy City Clerk Abbie Emison, Interim Police Chief Keith Hall, IT Director Jeff Kasson, Interim Police Chief Keith Hall, Fire Chief Chris Zimmer, Public Service Director Gary Wilfong, Community Affairs Director Emma Speight, Community Development Director Chad Gibson, Parks & Recreation Director Debbie McLaughlin

Pledge of Allegiance

The Pledge of Allegiance was led by Mr. Walter.

Consent Agenda

a. **Approve City Council Meeting Minutes for March 4, 2024**

b. **Ordinance No. 18-2024 - An ordinance authorizing the City Manager to enter into contract with DLL Landscaping and Tree Service for tree planting services in 2024**

c. **Ordinance No. 19-2024 - An ordinance authorizing the City Manager to enter into contract with Bonded Chemicals, Inc. for the provision of pool chemicals**

Vice President Close moved, seconded by Mr. Lynch, to approve the Consent Agenda.

President Awakessien Jeter then called for a vote on the motion to approve the Consent Agenda.

Voting Aye:	Close, Kulewicz, Lynch, Munc, Walter, and President Awakessien Jeter
Voting Nay:	None
Absent:	Adams
Abstain:	None

The motion carried.

Legislative Items for Second Reading/Public Hearing/Council Action

a. Ordinance No. 17-2024 – An ordinance increasing the expenditure authority for additional Microsoft Corporation software licenses and data storage through reseller Dell, Inc.

For compliance with the Ohio Ethics Law, Mr. Kulewicz abstained from discussion on Ordinance No. 17-2024 and left the Council Chamber at 7:06 p.m.

Vice President Close moved, seconded by Ms. Munc, to adopt Ordinance No. 17-2024.

In response to President Awakessien Jeter's invitation to speak, there were no questions or comments from the public relative to Ordinance No. 17-2024.

President Awakessien Jeter then called for a vote on the motion to adopt Ordinance No. 17-2024.

Voting Aye:	Close, Lynch, Munc, Walter, and President Awakessien Jeter
Voting Nay:	None
Absent:	Adams
Abstain:	Kulewicz

The motion carried.

Mr. Kulewicz returned to the Council Chamber at 7:07 p.m.

b. Ordinance No. 20-2024 - An ordinance authorizing the City Manager to enter into contract with John Eramo & Sons for construction-related services for the 2024 Waterline and Hydrant Replacement Project and to amend appropriations

Mr. Lynch moved, seconded by Vice President Close, to adopt Ordinance No. 20-2024.

Mr. Kulewicz asked to move this Ordinance off the consent agenda in order to discuss ductile iron pipes versus PVC pipes. The Public Services Director explained Upper Arlington does not have the underground network of piping that Columbus does, thus there is not a lot of worry over things like pipes getting hit underground. The benefits include better corrosion resistance, smoother, lighter weight, less energy to produce, install and transport. PVC pipe is also a more energy-efficient choice. Ductile iron was necessary because Columbus required it, but they have changed this requirement in the past year, which allows us to look at this alternative. Mr. Kulewicz asked if there was information on the comparable life span of the material and how it handles water main breaks. The Public Services Director stated that the life span of PVC should be longer than ductile iron. The Assistant City Manager said that Columbus is known for having very stringent specifications, and material changes go through the EPA. PVC pipes are estimated to have a 50-100-year life span, and it is much easier and cheaper to install. The Public Services Director said that PVC will not be any different in terms of root intrusion.

Vice President Close asked if the bid using PVC pipes was a low as the City expected. The Public Services Director said the design engineer thought the bid was in line with what was expected.

Voting Aye:	Close, Kulewicz, Lynch, Munc, Walter, and President Awakessien Jeter
Voting Nay:	None
Absent:	Adams
Abstain:	None

The motion carried.

Legislative Items for First Reading/Public Hearing

a. **Ordinance No. 21-2024 - An ordinance authorizing the City Manager to enter into contract with BBCO Design LLC, BBCO, for professional design services for facility maintenance improvements**

For compliance with the Ohio Ethics Law, Mr. Kulewicz abstained from discussion on Ordinance No. 21-2024 and left the Council Chamber at 7:19 p.m.

In response to President Awakessien Jeter's invitation to speak, there were no questions or comments from the public relative to Ordinance No. 17-2024.

President Awakessien Jeter advised the Second Reading/Public Hearing/Council Action is scheduled for March 18, 2024.

Mr. Kulewicz returned to the Council Chamber at 7:20 p.m.

b. Ordinance No. 22-2024 - An ordinance authorizing the City Manager to enter into a contract with CTL Engineering for quality assurance testing and special inspections during the construction of the Kingsdale Parking Garage

Mr. Kulewicz asked how inspections were done on the Community Center. The City Manager said that we have outside inspectors doing the evaluations.

In response to President Awakessien Jeter's invitation to speak, there were no questions or comments from the public relative to Ordinance No. 22-2024.

President Awakessien Jeter advised the Second Reading/Public Hearing/Council Action is scheduled for March 18, 2024.

c. Ordinance No. 23-2024 - An ordinance dissolving the Upper Arlington Community Improvement Corporation

The City Manager stated the process was led by the CIC Chairman and the board voted unanimously to support this recommendation.

In response to President Awakessien Jeter's invitation to speak, there were no questions or comments from the public relative to Ordinance No. 23-2024.

The City Attorney stated this item will have three readings. Due to the rarity of this situation, Council Rules do not specifically address this subject matter.

President Awakessien Jeter advised the Second Reading/Public Hearing is scheduled for March 18, 2024, followed by Third Reading/Public Hearing/Council Action on April 15, 2024.

d. Ordinance No. 24-2024 - An ordinance authorizing the City Manager to enter into a three-year contract with SCA of Ohio, LLC for street sweeping services

For compliance with the Ohio Ethics Law, Mr. Kulewicz abstained from discussion on Ordinance No. 24-2024 and left the Council Chamber at 7:23 p.m.

President Awakessien Jeter asked why this was done with a three-year contract. The Public Services Director said that they have previously struggled with getting bids, so by doing a multi-year contract it will reduce Staff time.

In response to President Awakessien Jeter's invitation to speak, there were no questions or comments from the public relative to Ordinance No. 24-2024.

President Awakessien Jeter advised the Second Reading/Public Hearing/Council Action is scheduled for March 18, 2024.

Mr. Kulewicz returned to the Council Chamber at 7:25 p.m. and was present for all further business.

Motions

a. To adopt the final version of the 2024 Amendments to the 2023–2024 Municipal Program of Services (2023-2024 Biennial Budget Supplement)

The Finance Director stated this motion is to give approval of the budget book itself, not the budget. The book is finalized during the first quarter of each year and there are just a few adjustments and edited wording.

Ms. Munc said that the finance summary was easy-to-read and an excellent summary.

Mr. Kulewicz asked why the numbers changed for the solid waste management fund and bond retirement fund. The Finance Director said the variance was because the actual number came in below the estimate in the budget. The solid waste management variance was a result of recycling fees coming in higher than expected and delinquent solid waste bills were submitted to the county to recoup in special assessments.

Mr. Kulewicz moved, seconded by Vice President Close, to adopt the final version of the 2024 Amendments to the 2023-2024 Municipal Program of Services.

In response to President Awakessien Jeter's invitation to speak, there were no questions or comments from the public relative to the motion.

President Awakessien Jeter then called for a vote on the motion to adopt the final version of the 2024 Amendments to the 2023-2024 Municipal Program of Services.

Voting Aye:	Close, Kulewicz, Lynch, Munc, Walter, and President Awakessien Jeter
Voting Nay:	None
Absent:	Adams
Abstain:	None

The motion carried.

City Manager Update

- Tomorrow, six Chief of Police candidates will be interviewed via Zoom and those will be narrowed down to 2-3 candidates. There will be in-person interviews next week. The Council President and Vice President are included in the interview process. Mr. Kulewicz asked how we assess the candidates' understanding of the community. The City Manager said this is part of the interview process and the outside consultant has already started this information gathering.

* * *

There being no further business to come before the City Council Mr. Kulewicz moved, seconded by Ms. Munc, to adjourn the meeting.

Voting Aye:	Close, Kulewicz, Lynch, Munc, Walter, and President Awakessien Jeter
Voting Nay:	None
Absent:	Adams
Abstain:	None

Motion carried and the meeting was adjourned at 7:35 p.m.

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President of Council

ATTEST: ____________________________
City Clerk

Author: Jackie Thiel

Council Meeting Date: March 18, 2024

Subject: Community Center Solar Presentation

Summary: Jackie Thiel and Adam Muth from ECBC will be presenting a new opportunity to add solar panels to the Community Center roof during construction. The presentation will review the project schedule and costs associated with the use of the GMP Owner's Contingency. ECBC will review the bids received for the design build solar energy package with a schematic showing the projected installation location of the panels. The added cost of installation through the lowest and best bid of Scalo Solar Solutions, LLC is roughly $600,000 that will be paid by change order utilizing the GMP Owner's Contingency. The return on investment from energy savings as well as the carbon offset will also be presented.

Authors:	Jacolyn Thiel, Assistant City Manager
Council Meeting Date:	March 18, 2024
Subject/Legislative Item:	Ordinance No. 21-2024 - An ordinance authorizing the City Manager to enter into contract with BBCO Design LLC, BBCO, for professional design services for facility maintenance improvements *(Munc)*
Purpose:	To authorize the City Manager to enter into a contract with BBCO Design LLC, BBCO, for professional design services for various tasks related to facility maintenance improvements for an amount not to exceed $113,000.
Executive Summary:	This is a professional services contract to provide architectural and interior design; mechanical, electrical, and plumbing engineering related to budgeted facility maintenance projects for 2024.

Purpose and Impact

In the 2024 Facility Maintenance budget, there are the following items that require design plans to be created to bid out the equipment and installation needed to complete the facility improvements:

- Municipal Services Center, MSC, Space Planning: Space planning services to relocate the IT Department (offices only – not data room) within the MSC building once the park staff are moved to a new facility in 2025.
- MSC Switch Gear Replacement: Construction documents to replace the main electrical switch gear (main power shut-off) at the MSC building. These services shall include investigating sequencing options to reduce downtime, analyzing sizing and capacity requirements, and recommendations for bidding, purchasing, and installation.
- MSC Generator Replacement: Provide planning services and produce construction documents to replace the existing generator at the MSC building with a previously purchased generator and transfer switch.
- MSC Boiler Replacement: Provide design services and produce construction documents to replace the existing three boilers and pumps at the MSC building with new.
- Public Service Center, PSC, Make-up Air Unit & HVAC Unit Replacement: Provide design services and produce construction documents to replace four existing make-up

air units with gas heat and three packaged HVAC units with gas heat at the PSC building.
- PSC Window & Louver Replacement: Produce construction documents to replace two existing window/louver openings within the pump room of the PSC building to provide better weather tightness and efficient ventilation/exhaust.
- Electrical Vehicle Charging Study at MSC and PSC: Provide a report analyzing the viability and requirements to install infrastructure for electric vehicle charging stations at both the MSC and PSC building sites.
- Miscellaneous Small Projects: Availability on an as needed basis to provide design and architectural services for various small projects.

The total approved budget for the above items is just under $800,000 as detailed in the 2024 Facility Maintenance Budget.

This legislation authorizes the City Manager to enter into contract with BBCO Design LLC, BBCO, for professional design services for the tasks above related to facility maintenance improvements for an amount not to exceed $113,000. Within the 2024 Facility Maintenance budget there is $205,000 budgeted for consulting services.

History

On January 29, 2024, the city released a Request for Proposals for Facilities General Architectural Services. Four (4) proposals were received February 16, 2024. An evaluation committee reviewed the proposals and BBCO had the highest overall score of proposals based on the project team, past performance, understanding of the project and approach. BBCO is also a Women-Owned Business.

Alternatives

There is an alternative to not approve the legislation and delay the facility improvements. This is not recommended due to the need for the professional services to design the final installation and specifications for the final upgrades.

Attachments

1.	Ordinance No. 21-2024

RECORD OF ORDINANCES

CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 21-2024

TO AUTHORIZE THE CITY MANAGER TO ENTER INTO CONTRACT WITH BBCO DESIGN LLC, BBCO, FOR PROFESSIONAL DESIGN SERVICES FOR FACILITY MAINTENANCE IMPROVEMENTS

WHEREAS, there are several facility maintenance projects included in the 2024 Facility Maintenance Budget, including but not limited to, space planning at the Municipal Services Center, generator, boiler, and HVAC replacements, updates to the electrical switch gear, and window replacement; and

WHEREAS, additionally, $205,000.00 was set aside in the 2024 Facility Maintenance Budget to cover professional design services for the projects; and

WHEREAS, on January 29, 2024, the City released a Request for Proposals for Facilities General Architectural Services and received four bids on February 16, 2024; and

WHEREAS, an evaluation committee reviewed each proposal and scored BBCO as the highest overall score based on the project team, past performance, and understanding of the project; and

WHEREAS, it is the recommendation of Staff to award the bid to BBCO for an amount not to exceed $113,000.00.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

<u>SECTION 1.</u> The City Manager is hereby authorized to enter into contract with BBCO Design LLC, BBCO, for professional design services for facility maintenance improvements, for an amount not to exceed $113,000.00.

<u>SECTION 2.</u> The City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments necessary to enter into, implement, and administer the agreement, that are not substantially inconsistent with this ordinance.

<u>SECTION 3.</u> This ordinance shall take effect immediately upon passage.

Authors:	Steven Schoeny, City Manager Jeff Anderson, Parks Development & Arts Superintendent
Council Meeting Date:	March 18, 2024
Subject/Legislative Item:	Ordinance No. 22-2024 - An ordinance authorizing the City Manager to enter into contract with CTL Engineering for quality assurance testing and special inspections during the construction of the Kingsdale Parking Garage *(Walter)*
Purpose:	To provide quality assurance testing and code required special inspections during the construction of the Kingsdale Parking Garage
Executive Summary:	Legislation will authorize the City Manager to enter into a contract with CTL Engineering for Quality Assurance Testing and Code Required Special Inspections during the construction of the Kingsdale Parking Garage.

Purpose and Impact

This is an ordinance authorizing the City Manager to enter into a contract with CTL Engineering in an amount of $132,598 with a 10% contingency of $13,260 for a total amount not to exceed $145,858 to provide Quality Assurance Testing and Code Required Special Inspections during the construction of the Kingsdale Parking Garage. This fee is consistent with the estimate that has been included in the total project budget. Additionally, the proposal has been reviewed by the City's Owner Representative, Pizzuti Solutions. Pizzuti has determined that the scope and associated fee are consistent with the effort that would be required to provide these services during construction of the community center.

The Kingsdale parking garage was included in the 2024 CIP budget at $7,728,000. The construction of the garage was authorized via Ordinance 5-2024 in the amount of $7,026,800. The combined amount of the construction and this proposed contract would be $7,172,658.

The Ohio Building Code requires that the Owner engage a third party to provide special inspections and tests during construction. Special Inspections ensure the proper fabrication, installation and placement of construction materials as required by the building code or by the Design Professional (MSA Sport) and are identified on the "*Statement of Special Inspections*" produced by the Design Professional. Using a highly qualified, independent inspector is a crucial part of ensuring that the construction is completed in accordance with the contract documents and will complement the quality control efforts of MSA Sport, Pizzuti Solutions and ECBC (General Contractor).

History

A Request for Qualifications was publicly advertised on January 5, 2024. On January 22, six Statements of Qualifications (SOQs) were submitted and reviewed by a Selection Committee consisting of representatives from the City Manager's Office, Parks & Recreation Department and Public Service Department. Additionally, representatives of MSA Sport, ECBC and Pizzuti Solutions participated in an advisory role. SOQs were scored based on evaluation criteria provided in the Request for Qualifications including previous work experience, staffing plan, qualifications of the testing laboratory, written response, overall qualifications and coordination with contractors. The results are summarized below:

<u>Vendor-Score</u>
CTL-96
Resource International-87
GCI-84
Atlas-83
Terracon-83
Alt & Witzig-76

CTL Engineering was recommended by the Selection Committee as the most qualified to provide the quality assurance testing and special inspections and was asked to submit a technical scope and fee proposal. In addition to providing special inspections on the Community Center, CTL has experience providing similar services on other concrete parking garages including Grandview Yard. The proposed team has over 25 years of relevant experience and the company has a staff of 24 experienced technicians in the Central Ohio Area. Additionally, CTL is certified by the Ohio Department of Administrative Services as a Minority Owned Enterprise (MBE).

Alternatives

CTL submitted a thorough SOQ and proposal that clearly demonstrated both their technical qualifications and their understanding of the project. Since these services are essential to the construction of the community center and given the quality of the response, the Selection Committee is not recommending any alternatives to the selection of CTL Engineering.

Entering this contract at this time will allow CTL Engineering to be ready to provide services at the same time as the start of work, currently anticipated to be April 1, 2024.

Attachments

1.	Ordinance No. 22-2024

RECORD OF ORDINANCES
CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 22-2024

TO AUTHORIZE THE CITY MANAGER TO ENTER INTO CONTRACT WITH CTL ENGINEERING FOR QUALITY ASSURANCE TESTING AND SPECIAL INSPECTIONS DURING THE CONSTRUCTION OF THE KINGSDALE PARKING GARAGE

WHEREAS, the Ohio Building Code requires that the City engage a third party to provide special inspections and tests during construction of the Kingsdale Parking Garage; and

WHEREAS, special inspections ensure the proper fabrication, installation, and placement of construction materials as required by the building code and by the design professional MSA Sport; and

WHEREAS, using a highly qualified, independent inspector is a crucial part of ensuring that the construction is completed in accordance with the contract documents and will complement the quality control efforts of MSA Sport, the City's owner representative Pizzuti Solutions, and the general contractor ECBC; and

WHEREAS, a Request for Qualifications was publicly advertised on January 5, 2024; six Statements of Qualifications (SOQs) were submitted on January 22, 2024, and reviewed by a Selection Committee; and

WHEREAS, the SOQs were scored based on evaluation criteria provided in the Request for Qualifications, including previous work experience, staffing plan, qualifications of the testing laboratory, written response, overall qualifications, and coordination with the contractor, with results summarized below; and

Vendor	Score
CTL	96
Resource International	87
GCI	84
Atlas	83
Terracon	83
Alt & Witzig	76

WHEREAS, CTL Engineering was recommended by the Selection Committee as the most qualified to provide the quality assurance testing and special inspections and was asked to submit a technical scope and fee proposal; and

WHEREAS, the proposal has been reviewed by Pizzuti Solutions, which has determined that the scope and associated fee are consistent with the effort that would be required to provide these services during construction of the Bob Crane Community Center; and

WHEREAS, it is the recommendation of Staff to award the contract to CTL Engineering for an amount of $132,598.00, include a 10-percent contingency of $13,260.00, for a total amount not to exceed $145,858.00.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. The City Manager is hereby authorized to enter into contract with CTL Engineering for quality assurance testing and special inspections during the construction of the Kingsdale Parking Garage, for an amount not to exceed $145,858.00, which includes a 10-percent contingency.

SECTION 2. The City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments necessary to enter into, implement, and administer the agreement, that are not substantially inconsistent with this ordinance.

SECTION 3. This ordinance shall take effect immediately upon passage.

STAFF REPORT

3600 Tremont Road | Upper Arlington, OH 43221
614-583-5000 | upperarlingtonoh.gov

Authors:	Gary Wilfong, P.E., Public Service Director Pat Kaune, Public Works Manager
Council Meeting Date:	March 18, 2024
Subject/Legislative Item:	Ordinance No. 24-2024 - An ordinance authorizing the City Manager to enter into a three-year contract with SCA of Ohio, LLC for street sweeping services *(Adams)*
Purpose:	Continue to maintain compliance with best practices for storm water management
Executive Summary:	Legislation authorizes the City Manager to enter into a contract with SCA of Ohio, LLC for Street Sweeping services.

Purpose and Impact

This ordinance requests authorization for the City Manager to enter into a three (3) year contract with the SCA of Ohio, LLC in the amount of $103,349.06 for Street Sweeping services. On February 20, 2024 the City received one (1) bid for Street Sweeping services as follows:

Vendor	Three Year Bid Amount
SCA of Ohio, LLC	2024 Cost - $33,777.16
	2025 Cost - $34,785.95
	2026 Cost - $34,785.95
	Total: $103,349.06

City Council approved up to $40,000.00 for Street Sweeping expenses in 2024. Year one (1) of the contract will expend $33,777.16, which remains under the budgeted amount.

History

The Public Service Department submits an annual report to the Ohio EPA for Storm Water Best Management Practices (BMP). Our BMP commits that the City will sweep 311 lane miles of curbed streets three (3) times per year to reduce debris infiltrating storm water systems. Two rounds are performed by Public Works employees with a City owned sweeper; the third round is performed by contract services during a busier operational period of the year; April through June. This street sweeping service has been utilized since 2016.

Alternatives

Delaying this passage of this ordinance may not allow us to follow the best management practices for storm water management as reported to the Ohio EPA.

Attachments

1.	Ordinance No. 24-2024

RECORD OF ORDINANCES
CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 24-2024

TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A THREE-YEAR CONTRACT WITH SCA OF OHIO, LLC FOR STREET SWEEPING SERVICES

WHEREAS, the Public Service Department submits an annual report to the Ohio EPA for Stormwater Best Management Practices (BMP), which includes a commitment that the City will sweep 311 lane-miles of curbed streets three times per year; and

WHEREAS, since 2016, to reduce debris infiltrating stormwater systems, two rounds of street sweeping are performed by Public Works employees with a City owned sweeper and the third round is performed by contract services during busier months of April, May, and June; and

WHEREAS, on February 20, 2024, the City received one bid for street sweeping services from SCA of Ohio, LLC for a total cost of $103,349.06 over a three-year period; and

WHEREAS, City Council approved $40,000.00 for street sweeping expenses in 2024 and year one of the contract will expend $33,777.16, which remains under the budgeted amount; and

WHEREAS, it is the recommendation of Staff to award the three-year contract to SCA of Ohio, LLC for year one amount of $33,777.16, year two amount of $34,785.95, and year three amount of $34,785.95, for a total amount not to exceed $103,349.06.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. The City Manager is hereby authorized to enter into a three-year contract with SCA of Ohio, LLC for street sweeping services for years 2024-2026, for a total amount not to exceed $103,349.06 over the three-year period.

SECTION 2. The City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments necessary to enter into, implement, and administer the agreement, that are not substantially inconsistent with this ordinance.

SECTION 3. This ordinance shall take effect immediately upon passage.

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614-583-5000 | upperarlingtonoh.gov

Authors: Steven Schoeny, City Manager

Council Meeting Date: March 18, 2024

Subject/Legislative Item: Ordinance No. 23-2024 - An ordinance dissolving the Upper Arlington Community Improvement Corporation

Purpose: This ordinance dissolves the Upper Arlington Community Improvement Corporation

Executive Summary: Founded in 1993, the Upper Arlington Community Improvement Corporation (CIC) was created to assist the City in the revitalization and enhancement of property within the City. Community Improvement Corporations in Ohio are not-for-profit entities that foster economic development through the acquisition and sale of property. It has been many years since the board has undertaken any of those activities. However, the Ohio Revised Code imposes several requirements on community improvement corporations that lead to the City expending an average of $3,764 per year over the last 8 years in administrative expenses.

Purpose and Impact

The purpose of this ordinance is to reduce expenses, simplify city operations and facilitate the creation of new pathways for community input on economic development issues.

The CIC was created to allow the City to transfer real estate assets under the control of the city to a private entity. Once in possession of property, the CIC has the ability to manage redevelopment plans and partnerships with developers to redevelop the property. Under Ohio law, community improvement corporations have the significant power of being able to dispose of property without being subject to the normal bidding and competitive processes that other public bodies are subject to. It is typical for a government entity to transfer a real property asset to a CIC along with sufficient funds to undertake pre-development activities. The CIC will then engage in planning and negotiation with a developer with the intent of transferring the property and/or development rights to the developer. The process for the selection of the developer and the negotiation of the terms of any agreement are not subject to the public request for proposal or bidding processes that municipalities operate under.

The City has no plans to acquire additional property for redevelopment purposes. We currently own two properties that could theoretically be incorporated into a larger redevelopment. 1615 Fishinger Rd. was acquired in 2017. This site individually is not sufficient to accommodate a significant redevelopment project. As part of the Community Center Project, we will be demolishing the building that currently sits on the site and developing a parking lot to serve as overflow and employee parking for Kingsdale. 2477 Welsley was acquired in late 2019 and has remained with the City. The City has already demolished the home that sat on the site when it was acquired. Should the City determine that parking demand on Lane avenue requires additional parking, the City will convert that parcel to public parking.

Consistent with the City's focus on transparency and encouraging competition that provides the best value for our residents and taxpayers, City staff believes that effective redevelopment and public private partnerships can be managed through competitive bidding and public proposal processes. As demonstrated by multiple projects on Lane Avenue, the redevelopment of the Macy's/Lazarus site, and Gosh Enterprises purchase of and reinvestment in the former CompuServe headquarters, the City is capable of working with private entities to accomplish redevelopment through a broad array of scenarios. All of those redevelopments involve different models of interaction with private developers and none involved using the CIC.

If the City should determine that the services of a CIC would be advantageous, the City can work with the Central Ohio Community Improvement Corporation (COCIC). COCIC was created by Franklin County to return distressed properties throughout the county to productive use. COCIC regularly works with communities to acquire properties, perform pre-development work and work with developers to redevelop property. Additionally, there is nothing that would preclude the City from re-establishing the CIC should a future City Administration and Council choose to change course. In order for the City to use COCIC in this capacity, City Council would be required to approve the transfer of any land or funds to the COCIC.

As a practical matter, the primary value of the CIC has been serving as an advisory body for the City's economic development activities. If the CIC is dissolved, the City Manager will create an economic development advisory group composed of five to seven residents with experience in various aspects of redevelopment, including planning, finance, architecture and construction. The selection of those members will be made in consultation with the Council President and members of Council. It is anticipated that current members of the CIC will populate the first iteration of this group. The Economic Development Advisory Group will advise the City Manager and other staff on strategic focus of the City's economic development program, incentive program design and funding (but not individual agreements or proposals), any land use planning activities that have an economic development impact, and any other activities that could improve the City's economic development program. The economic development advisory group will be an ad hoc working group. It will have no voting powers.

History

In our research, we believe that the CIC has only been used to facilitate one economic development project: 4030 W. Henderson, a single story 15,000 square foot medical office building on 2.4 acres. The City acquired the property in 2000. The City held onto the property for five years before transferring it to the CIC. It was transferred approximately 18 months later to Central Ohio Medicine.

Over the last 8 years, the City has spent $30,112 on various audit, accounting and other filing fees to maintain the corporate structure of the CIC.

Alternatives
Elimination of the Upper Arlington CIC is not a requirement. The City could continue to fund the Upper Arlington CIC.

Attachments

1.	Ordinance No. 23-2024

RECORD OF ORDINANCES
CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 23-2024

TO DISSOLVE THE UPPER ARLINGTON COMMUNITY IMPROVEMENT CORPORATION

WHEREAS, the powers, structure, and duties of Community Improvement Corporations (CIC) are outlined in Chapter 1724 of the Ohio Revised Code, providing that by resolution or ordinance, municipalities may designate a CIC as an agent of the city; and

WHEREAS, Community Improvement Corporations are not-for-profit development corporations, organized for the purpose of advancing, encouraging, and promoting the industrial, economic, and commercial development of communities; and

WHEREAS, Upper Arlington established its CIC by Resolution No. 19-1993, to assist in the revitalization and enhancement of property located within the City; and

WHEREAS, since its establishment, the CIC has been utilized once to facilitate an economic development project, which occurred more than 20 years ago; and

WHEREAS, each year the City expends an average of $3,764 annually to cover the administrative costs associated with the CIC; and

WHEREAS, on November 2, 2023, the CIC voted unanimously to recommend to City Council a formal dissolution of the board; and

WHEREAS, it is the recommendation of Staff to formally dissolve the CIC and create a more transparent process for economic development strategy through the formation of an ad-hoc economic advisory working group.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. City Council hereby dissolves the Upper Arlington Community Improvement Corporation (CIC).

SECTION 2. The City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments necessary for the dissolution of the Upper Arlington CIC, that are not substantially inconsistent with this ordinance.

SECTION 3. This ordinance shall take effect 30 days after passage.

Authors: Gary Wilfong, P.E., Public Service Director
Pat Kaune, Public Works Manager

Council Meeting Date: March 18, 2024

Subject/Legislative Item: Ordinance No. 25- 2024 - An ordinance authorizing the City Manager to enter into contract with RAP Management and Shelly Company for the purchase of asphalt concrete materials

Purpose: To provide the necessary materials for pavement repairs performed by Public Works employees.

Executive Summary: Legislation authorizes the City Manager enter into two contracts for the purchase of asphalt material.

Purpose and Impact
This ordinance requests authorization for the City Manager to approve an expenditure of $70,000.00 for two contracts for the purchase of asphalt materials in 2024: Shelly Company ($30,000) and RAP Management ($40,000).

This purchase was advertised with the intent of entering into two contracts, with the contract pricing being established by the per ton bids submitted. The use of two vendors allows for operational flexibility, smoother workflow management and handling varying demands efficiently. Additionally, it ensures our ability to obtain materials should one plant not be operational, which has occurred in the past. This approach aims not only to ensure reliable service delivery but also optimizes financial resources.

On March 5h, the City received four (4) bids for asphalt concrete materials as follows:

			RAP Management	Shelly Company	Kokosing	Decker
Item	Unit	Material Description	Unit Cost	Unit Cost	Unit Cost	Unit Cost
301	Ton	Asphalt Concrete Base	$72.00	$76.50	$78.00	$85.00

405	Ton	Cold Mix with Fiber	$130.00	no bid	no bid	$140.00
448	Ton	Asphalt Concrete Intermediate Course Material	$77.00	$82.50	$80.00	$90.00
448	Ton	Asphalt Concrete Surface Course Material	$82.00	$89.50	$90.00	$90.00

In the 2024 approved budget, $80,000.00 is set aside for the expenditure on asphalt concrete material. The overall bid was established by obtaining per ton prices for different types of asphalt with the intent of awarding two contracts. Not only did RAP Management provide the lowest bid, but its utilization of recyclables in its asphalt products not only reduces environmental impact by diverting waste from landfills but also contributes to sustainable infrastructure development. The second bidder recommended for award is Shelly Company, which has performed well for the City in the past and is closer in proximity, reducing our transportation expenses and potential delays associated with material availability. While they did not submit a bid for Cold Mix, we still recommend awarding the contract, as this is typically a small amount that is required and can be handled by one supplier.

No minority owned firms submitted a bid.

History

The Public Service Department is required to maintain the City's streets. In 2023, the Public Works Division spent $68,000 for asphalt products. The current contract is set to expire on April 7, 2024. Each year the Public Works Division routinely performs asphalt pavement maintenance and repairs to City streets. In 2023, Public Works crews made repairs to 54,338 square feet of pavement and filled over 1,100 potholes on arterial, collector and residential streets.

Alternatives

Delaying the passage of this ordinance may delay the necessary pavement maintenance by our work crews on Upper Arlington's 346 lane miles of streets.

Attachments

1.	Ordinance No. 25-2024

RECORD OF ORDINANCES

CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 25-2024

TO AUTHORIZE THE CITY MANAGER TO ENTER INTO CONTRACT WITH RAP MANAGEMENT AND SHELLY COMPANY FOR THE PURCHASE OF ASPHALT CONCRETE MATERIALS

WHEREAS, the Public Service Department is required to maintain the City's 346 lane miles of streets; and

WHEREAS, each year, the Public Works Division routinely performs asphalt pavement maintenance and repairs to City streets; and

WHEREAS, in 2023, Public Works crews made repairs to 54,338 square feet of pavement and filled over 1,100 potholes on arterial, collector, and residential streets; and

WHEREAS, on March 5^{h}, the City received four bids for asphalt concrete materials; and

WHEREAS, the overall bid was established by obtaining per ton prices for different types of asphalt with the intent of awarding two contracts; and

WHEREAS, it is recommended to award the first bid to RAP Management as the lowest bidder; the company's utilization of recyclables in its asphalt products not only reduces the environmental impact by diverting waste from landfills, but also contributes to sustainable infrastructure development; and

WHEREAS, it is recommended to award the second bid to Shelly Company, which has performed well for the City in the past and is closer in proximity to the City of Upper Arlington, reducing our transportation expenses and potential delays associated with material availability.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. The City Manager is hereby authorized to enter into contract with RAP Management for the purchase of asphalt concrete materials, for an amount not to exceed $40,000.00.

SECTION 2. The City Manager is hereby authorized to enter into contract with Shelly Company for the purchase of asphalt concrete materials, for an amount not to exceed $30,000.00.

SECTION 3. The City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments necessary to enter into, implement, and administer the agreement and expenditure that are not substantially inconsistent with this ordinance.

SECTION 4. This ordinance shall take effect immediately upon passage.

Authors: Gary Wilfong, P.E., Public Service Director
Pat Kaune, Public Works Manager

Council Meeting Date: March 18, 2024

Subject/Legislative Item: Ordinance No. 26-2024 - An ordinance authorizing the City Manager to enter into contract with Core and Main for the purchase of fire hydrant parts

Purpose: Perform Fire Hydrant preventative maintenance and repairs to ensure all are functioning properly.

Executive Summary: Legislation authorizes the City Manager to enter into a contract with Core and Main to provide Fire Hydrant Parts for preventative maintenance and repair.

Purpose and Impact

This ordinance requests authorization for the City Manager to enter into a contract with Core and Main in the amount of $43,963.75 to purchase Kennedy and American Darling Fire Hydrant parts.

On March 7th, the City received three (3) bids for supplying hydrant parts as follows:

Vendor	Bid Amount
Core and Main	$43,963.75 – Low Bidder
Ferguson	$46,550.00
Williams	$69.939.00

In the 2024 approved budget, $100,000 is budgeted for materials and supplies in the 720 Water Fund (510 Materials and Supplies) that includes the purchase of hydrant parts.

History

The Public Service Department is required by Upper Arlington City Code 931.03 to maintain the City's 1,933 hydrants. To extend the life of each hydrant it is necessary to perform routine maintenance. During routine inspections of the inventory of fire hydrants, we often find that their condition ranged from average to poor condition and require Kennedy and American Darling Fire Hydrant parts to extend its use. These parts meet the industry standard in maintaining fire hydrant condition and repairs as needed.

Fire hydrants require regular maintenance to ensure they are functioning properly. Parts such as valves, gaskets, seals, and hydrant caps may need to be replaced or repaired over time due to wear and tear. In the event of damage, either accidental or intentional, fire hydrant parts may need to be replaced to restore functionality. This could include replacing damaged pipes, valves, or other components. Having spare parts on hand ensures that the city can quickly repair or replace damaged or malfunctioning fire hydrants in case of emergencies, ensuring that firefighters have access to water when needed.

Alternatives

Delaying the passage of this ordinance may allow the condition of the City's fire hydrants to degrade readiness through lack of preventive maintenance or repair.

Attachments

1.	Ordinance No. 26-2024

RECORD OF ORDINANCES

CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 26-2024

TO AUTHORIZE THE CITY MANAGER TO ENTER INTO CONTRACT WITH CORE AND MAIN FOR THE PURCHASE OF FIRE HYDRANT PARTS

WHEREAS, the Public Service Department is required by Upper Arlington City Code Section 931.03 to maintain the City's 1,933 fire hydrants; and

WHEREAS, to extend the life of each hydrant, it is necessary to perform routine maintenance; and

WHEREAS, during routine inspections of the fire hydrant inventory, Staff found that their condition ranged from average to poor and require Kennedy and American Darling Fire Hydrant parts to extend their use; and

WHEREAS, on March 7, 2024, the City received three bids for supplying hydrant parts, as outlined in the table below; and

Vendor	**Bid Amount**
Core and Main	$43,963.75
Ferguson	$46,550.00
Williams	$69,939.00

WHEREAS, in the 2024 approved budget, $100,000 is budgeted for materials and supplies in the 720 Water Fund (510 Materials and Supplies), which includes the purchase of hydrant parts; and

WHEREAS, Staff recommends awarding the bid to Core and Main, as the lowest bidder, for an amount not to exceed $43,963.75, to purchase Kennedy and American Darling Fire Hydrant parts.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. The City Manager is hereby authorized to enter into contract with Core and Main for the purchase of fire hydrant parts, for an amount not to exceed $43,963.75.

SECTION 2. The City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments necessary to enter into, implement, and administer the agreement, that are not substantially inconsistent with this ordinance.

SECTION 3. This ordinance shall take effect immediately upon passage.

3600 Tremont Road | Upper Arlington, OH 43221
614-583-5000 | upperarlingtonoh.gov

Authors:	Gary Wilfong, P.E., Public Service Director Pat Kaune, Public Works Manager Katy Rees, Performance Analyst
Council Meeting Date:	March 18, 2024
Subject/Legislative Item:	Ordinance No. 27-2024 - An ordinance authorizing the City Manager to enter into contract with OpenGov, Inc. for work order and asset management software
Purpose:	To provide work order and asset management services to City Staff.
Executive Summary:	Legislation authorizes the City Manager to enter into a contract with OpenGov, Inc. for the purchase of Work Order and Asset Management software.

Purpose and Impact

In October 2023, The Public Service Department, in conjunction with the Information Technology Department and Forestry Division, solicited proposals for the Purchase and Installation of an Asset, Inventory, and Work Order system. It is our desire to implement OpenGov's Cartegraph Asset Management Software under a five (5) year contract. This software will be used as part of the daily operations of the Public Works, Electrical, and Forestry Divisions.

The City of Upper Arlington has the responsibility to provide sustainable services for our citizens while maintaining assets in a cost-effective manner. This software provides the tools to deliver effective and accountable government services. Asset management programs help to manage infrastructure capital assets to minimize the total cost of owning, operating, and maintaining assets at acceptable levels of service. Additionally, the program will continue to provide a citizen portal, which allows residents to submit service requests to the City through the City's website and an application on smart devices.

Our goals for an improved work order and asset management program include the following:

- Work Order Management – To track completion of work and document usage of resources
- Improve Asset Utilization – Effectively using and managing our assets vs. investment
- Extend Asset Life – Monitoring and maintaining our assets to protect investment

- Reduce Operating and Capital Costs – Better management leads to longer asset life expectancy and reduces the need for frequent replacements/improvements

In November 2023, the City received proposals from nine (9) vendors. Each vendor proposal provided an overview of their software, details regarding implementation and ability to work with existing systems, software implementation cost, year one (1) software license fees and cost per year up to an additional four (4) years.

The following are the proposals received:
Vendor:

- OpenGov
- Beehive
- Data Transfer Solutions
- KCI/City Works
- Novotx
- SADA
- Smart Energy Water
- VertiGIS
- zlink

In accordance with the RFP specifications for the purchase and installation of an Asset, Inventory and Work Order System, an evaluation committee was established including representatives from Information Technology, Parks and Forestry, Public Works, and Public Service. The selection process to determine the lowest and best proposal included evaluation of vendor competence, quality and feasibility, ability, past performance and cost.

Based on the evaluation scores, the committee selected four (4) vendors for a formal product demonstration: Data Transfer Systems, KCI/City Works, Smart Energy Water and OpenGov. For the demonstrations, additional staff were included to provide feedback to the evaluation committee, resulting in approximately 20 City personnel viewing the demonstrations. After a critical review, evaluation and product demonstration, the review committee selected OpenGov as the proposal that best meets our criteria.

OpenGov is an established company in the Asset Management field with over 1,800 governments utilizing their software, ranging from large cities like Minneapolis, MN, to smaller communities like Worthington, OH. Their proposal and subsequent presentation detailed their features, operations, and implementation plan that fully meets our needs and expectations. With their experience in implementation, they are able to convert all the data from our existing service into theirs, ensuring that valuable records of work and assets will be maintained. Through the implementation process, they will work with us to identify current workflows and establish work order procedures in the system, which will allow us to utilize their system with minimal operational changes.

A key component is the system's ability to integrate with other programs. For example, they are partners with ESRI, our GIS software provider, which allows them to seamlessly integrate with our current GIS system. The City also utilizes a program called GraniteNet for its sanitary sewer inspections. Since OpenGov can work with the program, we will easily be able to capture the data collected in our inspection program and transfer it to GIS for storage and easy access for review.

One of the highlights of OpenGov is their training and ongoing support. They have an active community of OpenGov users with forums to work with other users and OpenGov staff to resolve issues quickly should they arise. Additionally, OpenGov has the ability to include departments beyond just Public Service, which is the only department utilizing our current vendor. With OpenGov, Parks and Forestry is included and will utilize it as well. They also have the capability to expand for other departments in the future if desired.

In the 2024 budget, $350,000.00 was approved by Council for this expenditure. The final fee for 2024 is $260,505, which is within the approved budget. Following are the annual subscription fees for the remaining years of the proposed contract:

2025	$120,015.00
2026	$126.015.75
2027	$132,316.54
2028	$138,932.36

While this is an increase of approximately $100,000 in annual costs from our current vendor, it is a much more robust system with significant improvements and upgrades, as detailed above, with its capabilities to include more departments, better customer service, ability to integrate with existing software, and ability to change and grow with the City.

The City currently utilizes OpenGov for other software in other departments as well (Development and Finance). Once this contract is approved, the City Attorney's office will work with OpenGov to co-term and/or integrate all the contracts.

History

The City's initial use of Asset Management software began in 2017 when the City entered into a contract with PSD/Hiperweb, which has been utilized since. It is intended to continue utilizing Hiperweb through 2024 to ensure a smooth transition as staff work with OpenGov for implementation of the new program. For this reason, it is also requested that Council approve a one-year extension to the PSD/Hiperweb contract in the amount of $25,500.00 for services through the remainder of 2024 with a separate ordinance.

PSD/Hiperweb did not submit a proposal to the 2023 Request for Proposals and therefore was not able to be considered.

Alternatives

Council could reject the proposed contract with OpenGov and direct staff to negotiate with a different vendor. This could delay implementation of the new software into 2025.

Attachments

1.	Ordinance No. 27-2024

RECORD OF ORDINANCES

CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 27-2024

TO AUTHORIZE THE CITY MANAGER TO ENTER INTO CONTRACT WITH OPENGOV, INC. FOR WORK ORDER AND ASSET MANAGEMENT SOFTWARE

WHEREAS, the City of Upper Arlington has the responsibility to provide sustainable services for residents while maintaining assets in a cost-effective manner; and

WHEREAS, the City's initial use of asset management software began in 2017, when the City entered into a contract with Hiperweb, which has been used to manage infrastructure capital assets and to minimize the total cost of owning, operating, and maintaining assets at acceptable levels of service; and

WHEREAS, in October 2023, the Public Service Department, in conjunction with the Information Technology Department and Forestry Division, solicited proposals for the purchase and installation of an asset, inventory, and work order system, with a goal of improving tracking for work orders, documentation of usage of resources, improving asset utilization, monitoring assets, and cost reduction; and

WHEREAS, in November 2023, the City received proposals from nine vendors, each of which included an overview of their software, details regarding implementation and ability to work with existing systems, software implementation cost, year one software license fees, and cost per year up to an additional four years; and

WHEREAS, in accordance with the RFP specifications for the purchase and installation of an asset, inventory, and work order system, an evaluation committee was established, and the selection process to determine the lowest and best proposal included evaluation of vendor competence, quality and feasibility, ability, past performance, and cost; and

WHEREAS, based on the evaluation scores, critical review, and product demonstration, the review committee recommends awarding the contract to OpenGov, as their proposal best meets the City's criteria.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. The City Manager is hereby authorized to enter into a five-year contract with OpenGov for work order and asset management software, for an amount not to exceed $260,505.00 for 2024, followed by an annual subscription fee for each year through 2028, as follows: 2025 - $120,015.00, 2026 - $126,015.75, 2027 - $132,316.54, 2028 - $138,932.36.

SECTION 2. The City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments necessary to enter into, implement, and administer the agreement and expenditure that are not substantially inconsistent with this ordinance.

SECTION 3. This ordinance shall take effect immediately upon passage.

Authors:	Gary Wilfong, P.E., Public Service Director Pat Kaune, Public Works Manager Katy Rees, Performance Analyst
Council Meeting Date:	March 18, 2024
Subject/Legislative Item:	Ordinance No. 27-2024 - An ordinance authorizing the City Manager to enter into contract with OpenGov, Inc. for work order and asset management software
Purpose:	To provide work order and asset management services to City Staff.
Executive Summary:	Legislation authorizes the City Manager to enter into a contract with OpenGov, Inc. for the purchase of Work Order and Asset Management software.

Purpose and Impact

In October 2023, The Public Service Department, in conjunction with the Information Technology Department and Forestry Division, solicited proposals for the Purchase and Installation of an Asset, Inventory, and Work Order system. It is our desire to implement OpenGov's Cartegraph Asset Management Software under a five (5) year contract. This software will be used as part of the daily operations of the Public Works, Electrical, and Forestry Divisions.

The City of Upper Arlington has the responsibility to provide sustainable services for our citizens while maintaining assets in a cost-effective manner. This software provides the tools to deliver effective and accountable government services. Asset management programs help to manage infrastructure capital assets to minimize the total cost of owning, operating, and maintaining assets at acceptable levels of service. Additionally, the program will continue to provide a citizen portal, which allows residents to submit service requests to the City through the City's website and an application on smart devices.

Our goals for an improved work order and asset management program include the following:

- Work Order Management – To track completion of work and document usage of resources
- Improve Asset Utilization – Effectively using and managing our assets vs. investment
- Extend Asset Life – Monitoring and maintaining our assets to protect investment

- Reduce Operating and Capital Costs – Better management leads to longer asset life expectancy and reduces the need for frequent replacements/improvements

In November 2023, the City received proposals from nine (9) vendors. Each vendor proposal provided an overview of their software, details regarding implementation and ability to work with existing systems, software implementation cost, year one (1) software license fees and cost per year up to an additional four (4) years.

The following are the proposals received:
Vendor:

- OpenGov
- Beehive
- Data Transfer Solutions
- KCI/City Works
- Novotx
- SADA
- Smart Energy Water
- VertiGIS
- zlink

In accordance with the RFP specifications for the purchase and installation of an Asset, Inventory and Work Order System, an evaluation committee was established including representatives from Information Technology, Parks and Forestry, Public Works, and Public Service. The selection process to determine the lowest and best proposal included evaluation of vendor competence, quality and feasibility, ability, past performance and cost.

Based on the evaluation scores, the committee selected four (4) vendors for a formal product demonstration: Data Transfer Systems, KCI/City Works, Smart Energy Water and OpenGov. For the demonstrations, additional staff were included to provide feedback to the evaluation committee, resulting in approximately 20 City personnel viewing the demonstrations. After a critical review, evaluation and product demonstration, the review committee selected OpenGov as the proposal that best meets our criteria.

OpenGov is an established company in the Asset Management field with over 1,800 governments utilizing their software, ranging from large cities like Minneapolis, MN, to smaller communities like Worthington, OH. Their proposal and subsequent presentation detailed their features, operations, and implementation plan that fully meets our needs and expectations. With their experience in implementation, they are able to convert all the data from our existing service into theirs, ensuring that valuable records of work and assets will be maintained. Through the implementation process, they will work with us to identify current workflows and establish work order procedures in the system, which will allow us to utilize their system with minimal operational changes.

A key component is the system's ability to integrate with other programs. For example, they are partners with ESRI, our GIS software provider, which allows them to seamlessly integrate with our current GIS system. The City also utilizes a program called GraniteNet for its sanitary sewer inspections. Since OpenGov can work with the program, we will easily be able to capture the data collected in our inspection program and transfer it to GIS for storage and easy access for review.

One of the highlights of OpenGov is their training and ongoing support. They have an active community of OpenGov users with forums to work with other users and OpenGov staff to resolve issues quickly should they arise. Additionally, OpenGov has the ability to include departments beyond just Public Service, which is the only department utilizing our current vendor. With OpenGov, Parks and Forestry is included and will utilize it as well. They also have the capability to expand for other departments in the future if desired.

In the 2024 budget, $350,000.00 was approved by Council for this expenditure. The final fee for 2024 is $260,505, which is within the approved budget. Following are the annual subscription fees for the remaining years of the proposed contract:

2025	$120,015.00
2026	$126.015.75
2027	$132,316.54
2028	$138,932.36

While this is an increase of approximately $100,000 in annual costs from our current vendor, it is a much more robust system with significant improvements and upgrades, as detailed above, with its capabilities to include more departments, better customer service, ability to integrate with existing software, and ability to change and grow with the City.

The City currently utilizes OpenGov for other software in other departments as well (Development and Finance). Once this contract is approved, the City Attorney's office will work with OpenGov to co-term and/or integrate all the contracts.

History

The City's initial use of Asset Management software began in 2017 when the City entered into a contract with PSD/Hiperweb, which has been utilized since. It is intended to continue utilizing Hiperweb through 2024 to ensure a smooth transition as staff work with OpenGov for implementation of the new program. For this reason, it is also requested that Council approve a one-year extension to the PSD/Hiperweb contract in the amount of $25,500.00 for services through the remainder of 2024 with a separate ordinance.

PSD/Hiperweb did not submit a proposal to the 2023 Request for Proposals and therefore was not able to be considered.

Alternatives

Council could reject the proposed contract with OpenGov and direct staff to negotiate with a different vendor. This could delay implementation of the new software into 2025.

Attachments

1.	Ordinance No. 27-2024

ORDINANCE NO. 79-2022

TO AUTHORIZE A CONTRACT EXTENSION WITH HIPERWEB FOR THE DEPARTMENT OF PUBLIC SERVICE'S WORK ORDER AND ASSET MANAGEMENT SOFTWARE

WHEREAS, the Department of Public Service utilizes HiperWeb for its work order and asset management software; and

WHEREAS, all work performed in the Public Works Division is tracked through this program, which allows the division to monitor work progress as well as monitor its use of materials and supplies; and

WHEREAS, when a service request is received from a resident, a request is automatically created in HiperWeb, which may be converted to a work order and can then be monitored to ensure that the request is addressed; and

WHEREAS, the annual cost in the original contract, approved in 2017, was $20,000 per year, with an expiration date of December 31, 2022; and

WHEREAS, this ordinance is to accept a modification to the original agreement by extending the term for an additional year at a cost of $21,000; and

WHEREAS, in 2023, the Department of Public Service will be analyzing its needs for asset management and work orders, and anticipates issuing a new Request for Proposal for a long-term contract.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. That the City Manager is hereby authorized to extend the current contract with HiperWeb for the Department of Public Service's work order and asset management software, for an amount not to exceed $21,000.00.

SECTION 2. That the City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments, necessary to enter into, implement, and administer the Agreement, that are not substantially inconsistent with this Ordinance.

SECTION 3. That this Ordinance shall take effect at the earliest date allowed by law.

PASSED: December 12, 2022

President of Council

ATTEST:

City Clerk

I, Krystal Gonchar, City Clerk of Upper Arlington, Ohio, do hereby certify that the above is a true and correct copy.

City Clerk

CERTIFICATE OF POSTING

I, Krystal Gonchar, City Clerk of the City of Upper Arlington, Ohio, do hereby certify that publication of the foregoing was made by posting a true copy at the most public place in said corporation, for a period of ten (10) days commencing passage.

City Clerk

Vote Slip

Voting Aye: Unanimous
Voting Nay:

Abstain:
Absent:

Other Review: December 5, 2022

Authors: Gary D. Wilfong, PE, Public Service Director

Council Meeting Date: December 5, 2022

Subject/Legislative Item: HiperWeb Contract Extension

Purpose: To maintain the Department of Public Service's work order and asset management software.

Executive Summary: The existing contract expires at the end of 2022, so an extension is necessary.

Purpose and Impact

The Department of Public Service utilizes a computer program called HiperWeb for its work order and asset management duties. All work performed in the Public Works Division is tracked through this program, which allows the division to monitor work progress as well as monitor its use of materials and supplies. When a service request is received from a resident, a request is automatically created in HiperWeb, which may be converted to a work order and can then be monitored to ensure that the request is addressed.

History

In 2017 the Department of Public Service issued a Request for Proposals to select a vendor to provide a work order and asset management system for the City. The selection process included a selection committee reviewing the proposals, ranking the proposals, and selecting qualified vendors to shortlist for presentations to the committee. Following the presentations, the committee selected the HiperWeb system, supplied by PSD Software, for implementation.

Following selection, a contract was negotiated and entered into with PSD Software. This contract included all costs associated with implementing the work order system as well as an annual cost for five years to provide ongoing services as needed by the City. The annual costs in the original contract were $20,000 per year. The original contract expires on December 31, 2022.

This ordinance is to accept a modification to the original agreement by extending the term for an additional year at a cost of $21,000.

Moving forward, in 2023 the Department of Public Service will be analyzing our needs with regards to asset management and work orders. It is anticipated that a new Request for Proposals will be issued to select a provider for a long term contract.

Alternatives

Council could choose not to approve the contract amendment, which would leave the City without ongoing assistance and maintenance for its work order and asset management system.

RECORD OF ORDINANCES
CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 28-2024

TO AUTHORIZE A CONTRACT EXTENSION WITH HIPERWEB FOR WORK ORDER AND ASSET MANAGEMENT SOFTWARE FOR THE PUBLIC SERVICE DEPARTMENT

WHEREAS, the Public Service Department has utilized Hiperweb for its work order and asset management software since 2017; and

WHEREAS, on December 12, 2022, City Council approved a contract extension with Hiberweb by passage of Ordinance No. 79-2022; and

WHEREAS, in October 2023, the City solicited proposals for the purchase and installation of an asset, inventory, and work order system, with a goal of improving tracking for work orders, documentation of usage of resources, improving asset utilization, monitoring assets, and cost reduction; and

WHEREAS, Hiperweb did not submit a proposal for the 2023 Request for Proposals and therefore was not able to be considered in November 2023; and

WHEREAS, based on the evaluation scores, critical review, and product demonstration, the review committee recommended awarding the work order and asset management contract to OpenGov since their proposal best met the City's criteria, by passage of Ordinance No. 27-2024; and

WHEREAS, to ensure a smooth transition as staff works with OpenGov for implementation of the new program, the City intends to continue utilizing Hiperweb through 2024; and

WHEREAS, it is therefore recommended that Council approve a one-year extension to the Hiperweb contract in the amount of $25,500.00, for services through the end of 2024.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. The City Manager is hereby authorized to enter into an extended contract with Hiperweb for work order and asset management software through 2024, for an amount not to exceed $25,500.00.

SECTION 2. The City Manager, Finance Director, and the City Attorney are hereby authorized to take all actions, including the execution of all documents or amendments necessary to enter into, implement, and administer the agreement and expenditure that are not substantially inconsistent with this ordinance.

<u>SECTION 3.</u> This ordinance shall take effect immediately upon passage.

Authors: Brent Lewis, Finance Department Director
Jacolyn Thiel, Assistant City Manager
Darren Shulman, City Attorney

Council Meeting Date: March 18, 2024

Subject/Legislative Item: Ordinance No. 29-2024 - An ordinance amending Chapter 138 - Procurement Code of the Upper Arlington Code of Ordinances

Purpose: To amend certain sections of Codified Ordinance Chapter 138 - Procurement Code based on recommendations included in the procurement audit performed by Matrix Consulting Group and to increase efficiencies in the procurement process.

Executive Summary: As directed by the City Council, a procurement audit was performed during the latter part of 2023. The results of the audit were presented to City Council at the December 11, 2023, meeting. The report provided included several different types of recommendations, including making adjustments to the procurement code, increasing training, and utilizing key performance indicators. After thoroughly reviewing the report, staff believes that the first step in implementing these recommendations is to propose changes to the procurement code, followed by implementing several of the other recommendations, which include formalizing a purchase manual, increasing training, etc.

The key changes that are being proposed include:

- Removing the local business preference
- Adding a few additional types of contracts that can be awarded without formal competitive bidding or a competitive procurement process (i.e. items related to existing technology)
- Increasing the City Manager contract authorization threshold (not the competitive bid threshold)

Purpose and Impact
As noted above, one of the City Council's 2023 goals was to have a procurement audit performed to identify areas for improvement and efficiency. This audit was performed by the Matrix Consulting Group during the latter part of 2023 and the final report was presented to the City Council at the December 11, 2023, meeting. After thoroughly reviewing the report, staff believes the best path forward is to propose changes to the existing procurement code, followed by implementing several of the other recommendations, which include formalizing a purchase manual, increasing training, etc.

Below is a summary of the proposed changes:
138.01 - Definitions
Staff is proposing the elimination of Section 138.23 (local preference) to increase the opportunity for fair and open competition. The Matrix report states that the Institute for Public Procurement maintains the position that preference policies, including local preferences, conflict with the fundamental public procurement principles of impartiality and full and open competition. The proposed changes in this section would eliminate the definitions of local and non-local business.

138.04 - Competitive Procurement Process
Staff is proposing to implement recommendations #11 and #12 as provided in the procurement audit report. This proposed change would change the following thresholds:

	Current	**Proposed**
Shall NOT require a competitive procurement process	$7,500	$10,000
Shall require a competitive procurement process	$7,500.01 - $40,000	$10,000.01 - $40,000
Shall require a <u>formal</u> competitive procurement process	$40,000+	$40,000+

Definitions of a competitive and formal competitive procurement process are contained in section 138.01.

138.05 - Formal Competitive Bid Process
Staff is proposing changes to update how bids are advertised and to clean up outdated language. The proposed change would essentially eliminate the need to advertise in a "publication of or general circulation within Franklin", unless required by a grant or other funding source. This method is outdated, as all bids are advertised through the City's website and/or a third-party bidding service.

There are not any changes proposed in the formal bidding threshold.

138.06 - Conditions Obviating Formal Competitive Bid or Competitive Procurement

Process
Staff is proposing the addition/clean up of two types of contracts that may be awarded without a formal competitive or a competitive procurement process. Both of these items involve existing items that the City utilizes. Both of these items have been pain points in the procurement process with the continued increase in the use of technology.

(7) Contracts for updates, upgrades, renewals, and maintenance for existing software, technology hardware and telecommunications services.
(12) Service and maintenance contracts that support an existing strategy or method for managing all city facility security and environmental solutions. (i.e. existing door security badge scanner maintenance or expansion as well as internal security monitoring cameras)

138.07 - Proceedings of Opening of Formal Competitive Bids
Staff is proposing a non-substantive language cleanup of an outdated practice. The City does not post individual bid information on the website after the bid has been awarded. This information is available upon request.

138.08 - Contract Modifications
Staff is proposing changes to this section to enhance clarification of the contact modification and change order process and to include the proposed increase to the City Manager's contracting authority as proposed in Section 138.09.

138.09 - Contracting Authority
Staff is proposing to implement recommendation #11 as provided in the procurement audit report - increasing City Manager contracting authority. This section includes the following proposed changes, which staff believes will increase efficiencies in the procurement process and the use of staff and City Council time.

- Increase the City Manager's contracting authority from $40,0000 to $100,000.
- Allows the City Manager to enter into pass-through contracts without City Council approval (i.e. a contract for a sports camp where the City registers and collects the fees of the participants and passes a percentage of the funds through to the vendor)
- Allows the City Manager to enter into agreements for service, maintenance, updates and upgrades for information technology or security products and services during the useful life of the application without Council approval when Council approved the original contract.

138.10 - Delegation of Authority
Staff is proposing to clarify that the City Clerk has the same delegated purchasing authority as Department Heads, which has been the City practice. The proposed changes in this section also incorporate the proposed threshold changes in Sections 138.04 and 138.09.

138.12 - Award and Execution of Construction Contracts; Price; Partial Payments
Staff is proposing non-substantive language cleanup in this section. No other changes are proposed.

138.23 - Local Preference
We are proposing this section be removed in order to increase the opportunity for fair and open competition.

History
As previously noted, one of the City Council's 2023 goals was to have a procurement audit performed to identify areas for improvement and efficiency. This audit was performed by the Matrix Consulting Group during the latter part of 2023 and the final report was presented to the City Council at the December 11, 2023, meeting.

The procurement code is regularly reviewed to ensure that is current and in line with City Council priorities. The following is a brief history of the most recent changes to the procurement code:

2009 - increased the competitive procurement thresholds from $2,500 - $25,000 to $3,000 - $30,000; increased formal competitive procurement threshold from $25,000 to $30,000; increased the City Manager contracting authority from $15,000 to $20,000, increased delegation of authority from $2,500 to $5,000.

2012 - increased the City Manager contracting authority from $20,000 to $30,000.

2013 - increased the competitive procurement thresholds from $3,000 - $30,000 to $5,000 - $40,000; increased formal competitive procurement threshold from $30,000 to $40,000; increased the City Manager contracting authority from $30,000 to $40,000, increased delegation of authority from $3,000 to $5,000.

2015 - increased the competitive procurement thresholds from $5,000 - $40,000 to $7,500 - $40,000, increased delegation of authority from $5,000 to $7,500.

2016 - adopted the quality based selection process (QBS) for the selection of architects, professional design firms, construction managers, and similar construction-related professionals

Alternatives
City Council can elect to adopt, amend, or stay status quo on any of the proposed changes or any other sections of the procurement code. Any proposed changes would need to be researched to fully understand the impact.

Attachments

1.	Upper Arlington Final Purchasing Report 2023
2.	Procurement Update Presentation 12.11.23
3.	Ordinance No. 29-2024
4.	Ord. 29-2024 - Exhibit A

Purchasing Benchmarking Assessment Final Report

UPPER ARLINGTON, OHIO

December 11, 2023

matrix consulting group

Table of Contents

1. Introduction and Executive Summary

The City of Upper Arlington engaged the Matrix Consulting Group to perform benchmarking and develop key performance indicators for its Purchasing Office. During this engagement, the project team performed the following key tasks:

- Developed a current state assessment that included information on current procurement practices, staffing, workload, and policies (Chapter 2).
- Developed a best practices assessment that benchmarked current procurement operations against select industry best practices (Chapter 3).
- Administered a stakeholder survey that sought feedback on the procurement process from those that interact with the process (Appendix A).
- Administered a comparative survey that benchmarked the Purchasing Office against procurement functions in peer municipalities on workload, policies, and current KPIs (Appendix B)
- Suggested key performance indicators developed for initial input from City personnel (Appendix C).

This document contains the results of these tasks, as well as subsequent analysis and recommendations developed from their findings.

As will be noted throughout the report, there are numerous strengths and positive aspects of the current purchasing processes in place in the City of Upper Arlington. The recommendations provided are designed to build upon those strengths, further improve the efficiency and effectiveness of internal processes, and provide the data necessary to enable effective KPI implementation and monitoring.

1.1 Summary of Recommendations

The following table summarizes the key recommendations contained in the following chapters of the report. For each recommendation, a priority and timeline has been established for the implementation of the change. Please note that the recommendations do not account for all administrative impacts to current City operations but were developed to align, as best as practical, with existing capacity of staff and available technology.

	Recommendation	Priority
1	Develop and implement a purchasing manual for use by those who engage in procuring goods and services for their department/division.	High
2	Create a "How To Do Business Guide" for use by current and future vendors doing business with the City.	Medium
3	Develop a template for use by operating departments in handling and documenting their procurements occurring at the informal quotation level.	High
4	Develop a template for RFP and RFQ evaluations to reduce bias during reviews.	Medium
5	Develop and implement a regular procurement training to City personnel on procurement processes and procedures.	High
6	Purchasing should conduct an annual spend analysis to identify common or recurring purchases for which a contract may be established in order to realize cost savings and streamline the purchase of goods and services.	High
7	The City should continue to expand the use of cooperative purchasing and purchasing consortiums to reduce workload and take advantage of pre-established pricing already established through competitive measures to realize cost savings and streamline the purchase of goods and services.	Medium
8	Require all purchases above an established threshold to have a corresponding requisition and purchase order (PO) to increase procurement controls and allow for better tracking of procurement data.	Medium
9	Centralize the tracking and maintenance of contracts under the Purchasing Office. Develop or implement a module in the current ERP software to automatically flag contracts based on spending or time elapsed.	High
10	Increase purchasing authority for department heads to $10,000 and the City Manager to $100,000.	High
11	Formalize the requirement for competitive quotes for procurements between $10,001 and $40,000.	High
12	Consider additional or shared staffing resources to assist with KPI implementation, tracking, and analysis.	Medium
13	Continue to monitor Purchasing Office workload to determine the need for additional procurement-specific staff.	Low
14	Establish and track baseline key performance indicators (KPIs) for procurement and provide a quarterly report to Council.	High
15	Establish KPIs to enable the effective monitoring of the utilization of MWBEs and local vendors over time.	High

The following chapters provide the background on current practices, a best practices assessment of the procurement function and the analysis and background regarding each recommendation.

2. Current State Assessment

This current state assessment outlines the organizational structure, staffing, use of technology, and workload of the Purchasing Office in the City of Upper Arlington. The information contained in this profile has been developed through both staff interviews as well as a formal data collection process facilitated by the Matrix project team.

The primary objective of this document is to document the current state of the Procurement Office and its approach to providing services. No analysis or findings are contained within this report. Instead, this deliverable focuses on documenting the following:

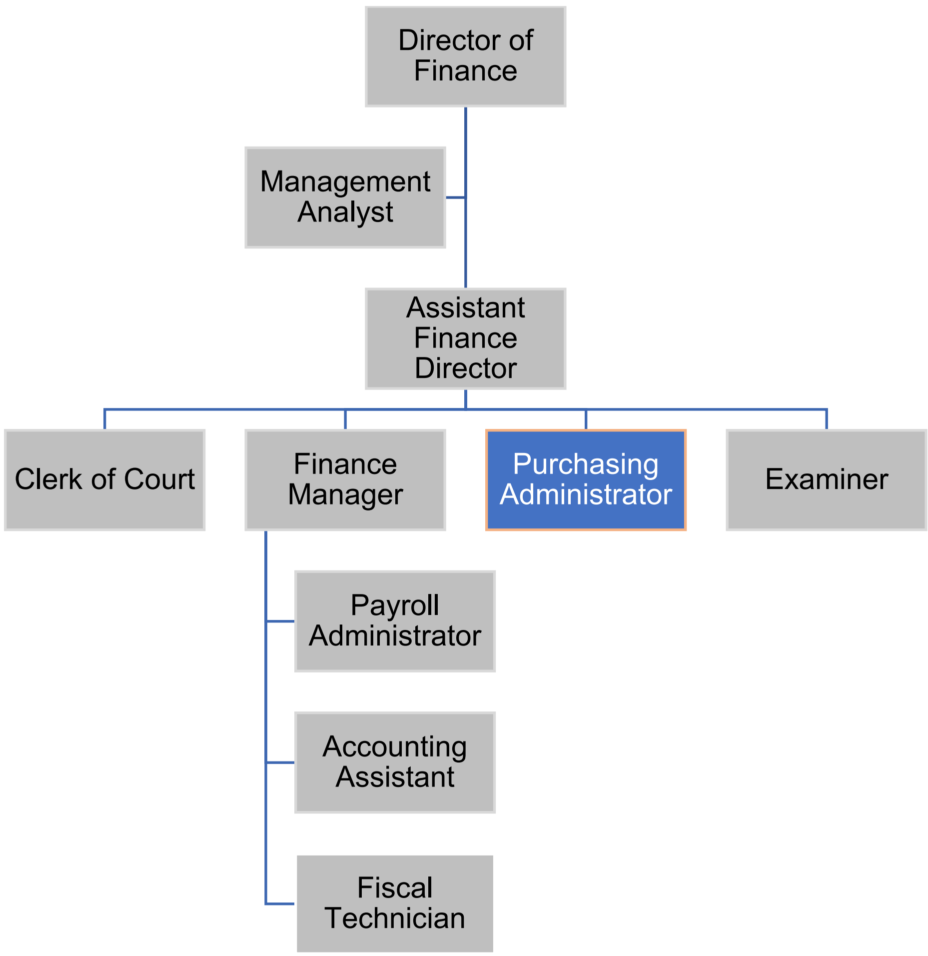
- The roles and responsibilities of staff involved in the procurement function.
- The overall procurement process.
- Technology utilized within the procurement function.
- Historic workload, where available.

This document will serve as a summary of the current state of staffing, processes, technology, and workload. This will allow the project team to compare recommendations developed for the final deliverable to highlight and demonstrate the impact of proposed changes.

2.1 Organization and Staffing

The Purchasing Office is responsible for the procurement of materials, supplies, equipment, and services on behalf of the City of Upper Arlington. The Purchasing Office is currently staffed by one full-time Purchasing Administrator. The office itself is organizationally located within the Finance department. The chart below shows the organizational structure of the Finance department, with the Purchasing Administrator role highlighted:

Finance Department Organizational Structure



The Purchasing Administrator reports directly to the Assistant Director. This position is solely responsible for handling all procurements for the City, with exceptions being made for purchases within certain thresholds or via established contracts (as noted in the process section of this report). The duties of the Purchasing Administrator can be found in the table below:

Position Title	Authorized Positions	Key Roles and Responsibilities
Purchasing Administrator	1	• Responsible for handling all procurements for the City. Works with City stakeholders (departments) to convert specifications into RFPs/Bs/Qs, ITBs, etc. Responsible for posting bids to the City's online portal and monitoring responses. • Assists with the monitoring of open contracts and works with stakeholders to ensure contract compliance. Works to establish cooperative contracts with external agencies and other municipalities. Handles and verifies vendor registration. • Develops reports relevant to procurement – annual requisitions/POs, spend analyses, etc. • Responsible for developing policies and procedures as they relate to procurement.

While the Purchasing Administrator is primarily responsible for the procurement process as a whole, other entities including the requesting department, City Manager, City Attorney, the Finance Director, and City Council are each responsible for reviewing and approving a procurement throughout the process. This is expanded on in the section of this report that focuses on the procurement process. The Purchasing Administrator also receives backup from the Accounting Assistant and Management Analyst positions within Finance.

2.2 Procurement Process

As noted in the prior section, the City utilizes a centralized procurement process. City departments are required to submit requisitions to the Purchasing Administrator via its Finance software (New World) for most purchases, which are then posted for competitive bidding. The only exceptions are purchases that fall below the initial $7,500 threshold, are accounted for in the department's budget, and do not require a requisition as per City purchasing guidelines. As per the City's procurement code, purchases made via an existing cooperative contract are also excluded from the competitive bidding process.

The City's procurement thresholds (and corresponding requirements) are detailed in the following table:

Threshold Amount	Requirements
$7,500 or Less	No bid required, department heads can sign contracts up to and including $7,500.
$7,501 - $40,000	Competitive bid required (posted online). City Manager must sign the contract.
$40,001 or More	Competitive bid process required (posted online, three quotes). Requires approval from City Council.

The project team was provided with a process diagram detailing the overall procurement process and what steps each involved entity is responsible for. The table below summarizes the key duties associated with each stakeholder, as described by the aforementioned diagram:

Entity	Responsibilities
Department	Determining need for purchase, determining procurement approach (based on thresholds, budget, requirements, etc.), defining specifications, submitting requisitions, tracking contract.
City Manager	Reviews purchases >$,7500 prior to submittal to procurement. Signature authority on certain contracts.
Purchasing Administrator	Responsible for procurement process. Posts bids, responds to vendors, evaluates bids, issues POs, creates contract packets, maintains records, encumbers funds.
Vendor	Responds to bids, provides samples (if required), signs contracts, provides goods/services.
Finance Director	Reviews staff reports prior to Council meeting.
City Attorney	Reviews contract packets and provides approval prior to CM signature.
City Council	Authorizes purchases above $40,000.

In terms of technology, the Purchasing Office utilizes the following during the procurement process:

Technology Name	Type/Use
IonWave	Procurement software, used for posting of bid documents (ITBs, RFPs, RFQs, etc.).
OnBase	Document imaging/management software.
NewWorld	Procurement Software, used for submitting requisitions and issuing POs.
Microsoft Office	Excel is used as the primary means of tracking open procurements as well as other metrics (such as MWBE/EDGE spending).

2.2.1 Guides and Policy Information

The City does not have a formal purchasing manual containing all information relevant to the procurement process (thresholds, purchasing authority, etc.). However, Chapter 138 of the City's Code of Ordinances contains the City's Procurement Code. While not necessarily a purchasing manual, the chapter contains the majority of the relevant information necessary for stakeholders to engage in procurement activities while maintaining compliance.

Beyond that, a series of reference materials were created for use by those within the Purchasing Administrator position. These deal with the following topics:

- How to create a purchase order and initiate a change order.
- How to locate cooperative purchasing contracts.
- Locating vendors for quotes
- What to do when a requisition is received.

As mentioned above, these materials are primarily focused on assisting those who are within the Purchasing Administrator itself. Each document deals with assisting users through the use of the procurement and bid software used by the City.

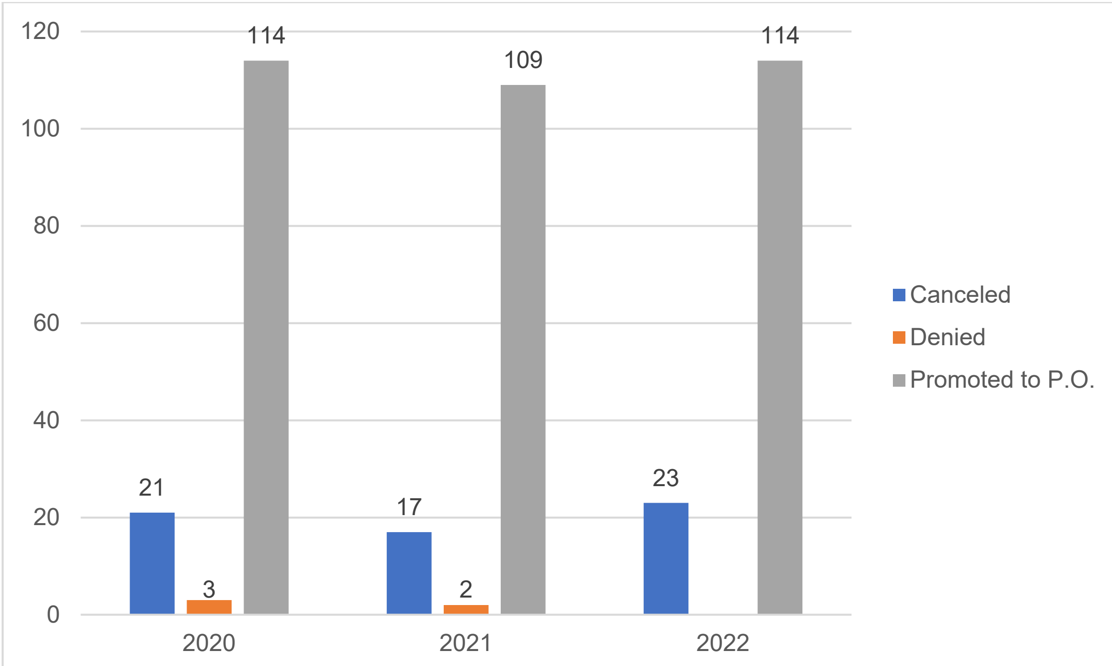
2.3 Workload

The project team was provided with a variety of data items that detail the Purchasing Office's workload, primarily via requisition and purchase order reports for 2020 through 2022.

2.3.1 Requisitions

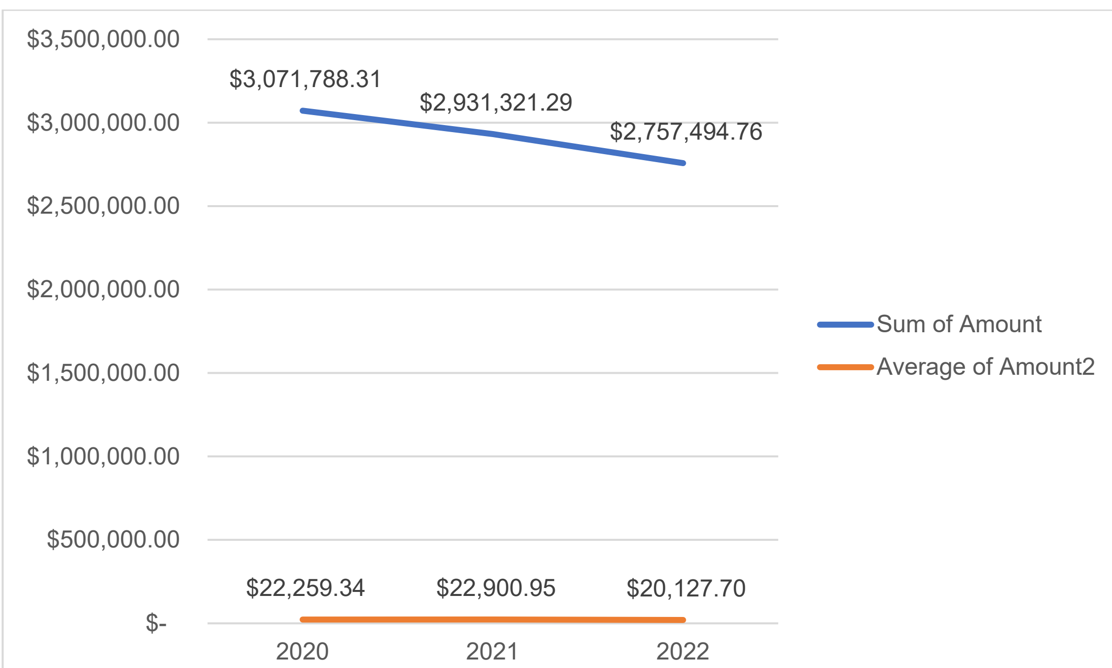
In total, the Purchasing Office received 403 requisitions over the last three fiscal years. Of these, 337 were eventually converted to a Purchase Order (PO) The total number of requisitions, based on their status (canceled, denied, promoted to PO), can be found in the graph below:

Requisitions by Status (2020-2022)



The following line graph plots the total value of requisitions over the same time period:

Requisition Values (2020-2022)



The total amounts associated with requisitions has decreased each year, from $3,071,788.31 in 2020 to $2,757,494.76 in 2022.

The total number of requisitions (by department) can be shown below:

Requisitions by Department (2020-2022)

Department	2020	2021	2022	Grand Total
1001 Police-Patrol bureau	7	7	7	21
1007 Police-Support services	2	1	1	4
1015 Police-Training	2	6	3	11
1104 Fire	6	10	20	36
4000 Swimming Pools	11	4	1	16
4030 Cultural Arts	-	1	-	1
4031 Parks & Forestry	34	32	16	82
4032 Recreation	2	-	-	2
4033 Parks Administration	-	1	-	1
4034 Tennis	2	3	2	7
4036 Shelter Barn	2	-	-	2
6000 Public Service Adm - Engineering	9	8	11	28
6100 Public Works	21	28	24	73
6108 Fleet	-	-	1	-
7000 City Manager	1	1	1	3
7700 Building Maintenance	19	8	16	43
7800 Information Technology	20	18	33	71
7900 General Administration	-	-	1	1
Grand Total	**138**	**128**	**137**	**403**

Overall, the largest number of requisitions came from Parks & Forestry (82), Public Works (73), and Information Technology (71). The number of requisitions received by the Purchasing Office has remained relatively consistent each year (ranging between 128 and 138).

Requisition Values by Department (2020-2022)

Department	2020	2021	2022
1001 Police-Patrol bureau	$366,089.68	$175,923.32	$406,195.38
1007 Police-Support services	$36,088.65	$69,069.80	$9,823.68
1015 Police-Training	$9,400.00	$83,708.55	$38,940.95
1104 Fire	$92,858.14	$134,150.93	$247,494.03
4000 Swimming Pools	$131,966.85	$39,700.08	$36,677.50
4030 Cultural Arts	-	$1,853.51	-
4031 Parks & Forestry	$845,038.45	$643,913.95	$312,845.05
4032 Recreation	$111,234.00	-	-
4033 Parks Administration	-	$6,983.62	-

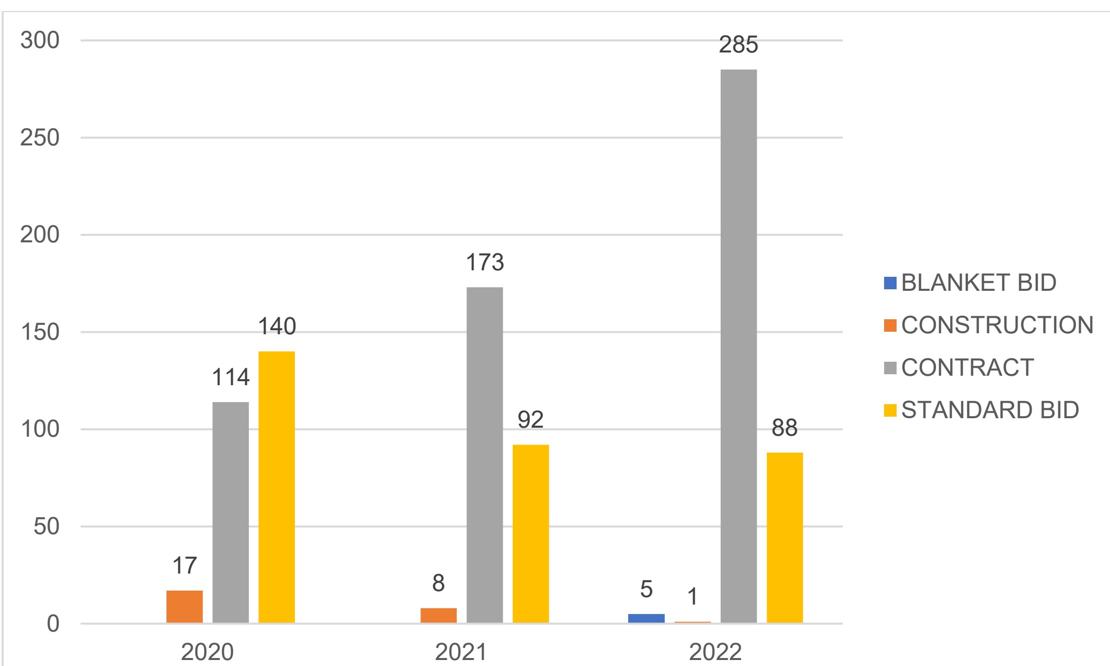
Department	2020	2021	2022
4034 Tennis	$17,760.00	$24,674.96	$17,300.00
4036 Shelter Barn	$10,112.87	-	-
6000 Public Service Adm - Engineering	$219,419.11	$549,501.00	$407,755.86
6100 Public Works	$806,122.11	$765,064.60	$824,866.35
6108 Fleet	-	-	$2,000.00
7000 City Manager	$1,885.00	$3,800.00	$3,355.09
7700 Building Maintenance	$226,957.27	$262,556.51	$69,496.45
7800 Information Technology	$196,856.18	$170,420.46	$375,784.45
7900 General Administration	-	-	$4,959.97
Grand Total	**$ 3,071,788.31**	**$ 2,931,321.29**	**$2,757,494.76**

The average requisition value has remained relatively consistent (around $21,000) each year, though the average value decreased by $2,773.25 between 2021 and 2022. It is worth noting that 2021 had slightly fewer requisitions despite accounting for the highest average requisition value.

2.3.2 Purchase Orders

In total, the Purchasing Office issued 932 purchase orders (POs) over the last three fiscal years. The graph below shows the number of POs issued each year based on type (blanket bid, construction, contract, standard bid):

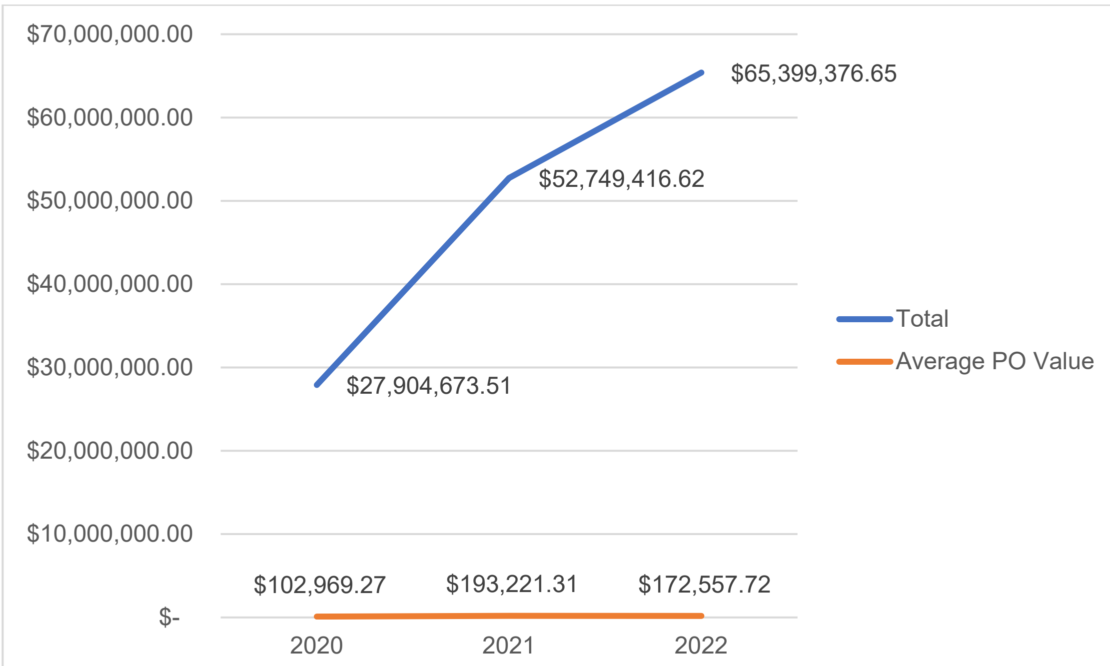
Purchase Orders by Type (2020-2022)



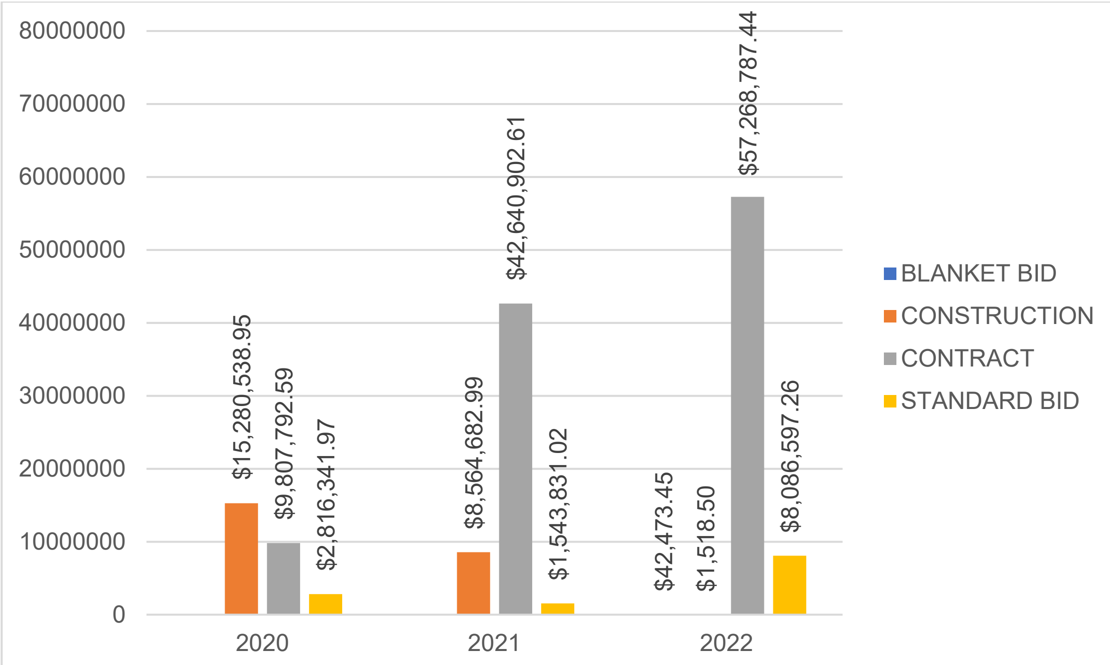
As shown by the table, the number of POs issued by the Office has increased each year, with contract POs driving the majority of the growth.

The next graph charts the total and average value of POs issued over the same time period:

PO Value (2020-2022)



PO Values by Type (2020-2022)



The total value for contracts has increased from $9,807,782.59 in 2020 to $57,268,787.44 in 2022.

While the total value of all POs issued has increased each year, the average value of a PO decreased between 2021 and 2022.

POs by Department (2020-2022)

Department	2020	2021	2022
1000 Police Department	4	1	12
1001 Police-Patrol bureau	7	6	7
1007 Police-Support services	4	1	1
1015 Police-Training	1	6	3
1100 Fire	-	-	1
1104 Fire	12	16	25
4000 Swimming Pools	8	5	5
4030 Cultural Arts	1	1	4
4031 Parks & Forestry	45	65	79
4032 Recreation	2	1	5
4033 Parks Administration	3	4	3
4034 Tennis	3	3	2
4035 Senior Center	2	1	1
4036 Shelter Barn	2	1	1

Department	2020	2021	2022
5000 Development	6	5	11
6000 Public Service Adm - Engineering	11	12	30
6002 Electrical	3	-	-
6100 Public Works	44	46	40
6108 Fleet	-	-	1
6500 Solid Waste	2	2	1
7000 City Manager	7	6	11
7100 City Attorney	8	6	3
7200 City Clerk	-	-	1
7300 City Council	1	-	1
7400 Mayor's Court	5	1	9
7500 Finance	17	27	16
7700 Building Maintenance	38	23	41
7800 Information Technology	29	30	52
7900 General Administration	6	4	13
Grand Total	**271**	**273**	**379**

Parks & Forestry, Public Works, Information Technology, and Building Maintenance all had more than 100 POs issued between 2020 and 2022. The next table shows the total and average values of POs for each department:

PO Values by Department (2020-2022)

Department	2020	2021	2022
1000 Police Department	$42,708.12	$282,992.00	$477,464.11
1001 Police-Patrol bureau	$280,778.83	$170,801.32	$406,195.38
1007 Police-Support services	$85,919.55	$69,069.80	$9,823.68
1015 Police-Training	$18,513.00	$85,923.55	$38,940.95
1100 Fire			$60,000.00
1104 Fire	$775,554.40	$563,793.18	$1,801,227.68
4000 Swimming Pools	$95,053.85	$44,075.08	$78,881.46
4030 Cultural Arts	$4,614.00	$1,853.51	$36,649.90
4031 Parks & Forestry	$2,817,310.70	$3,681,007.02	$2,469,123.92
4032 Recreation	$87,920.14	$2,825.00	$44,603.45
4033 Parks Administration	$361,644.00	$1,463,418.77	$4,652,261.00
4034 Tennis	$37,660.00	$36,974.96	$17,300.00
4035 Senior Center	$5,246.00	$1,087.93	$2,500.00
4036 Shelter Barn	$16,694.94	$855.00	$1,386.33
5000 Development	$184,800.00	$119,022.49	$325,050.00
6000 Public Service Adm - Engineering	$367,274.95	$479,472.56	$17,811,994.39

Department	2020	2021	2022
6002 Electrical	$42,011.00		
6100 Public Works	$16,341,470.57	$14,895,719.32	$2,890,543.34
6108 Fleet			$2,000.00
6500 Solid Waste	$2,778,462.67	$2,798,000.00	$2,784,000.00
7000 City Manager	$142,365.38	$149,295.92	$616,794.79
7100 City Attorney	$70,350.00	$58,500.00	$54,500.00
7200 City Clerk			$9,425.00
7300 City Council	$35,475.00		$5,000.00
7400 Mayor's Court	$73,200.00	$3,795.00	$58,845.00
7500 Finance	$1,531,810.92	$26,528,033.72	$25,655,476.60
7700 Building Maintenance	$738,016.48	$710,827.01	$3,738,031.55
7800 Information Technology	$821,566.44	$343,488.73	$676,653.12
7900 General Administration	$148,252.57	$258,584.75	$674,705.00
Grand Total	**$27,904,673.51**	**$52,749,416.62**	**$65,399,376.65**

Within this time period, Finance had the highest total PO value each year – accounting for $53,715,321.24 of the City's spend between 2020 and 2022. This was followed by Public Works, Parks & Forestry, and Solid Waste.The high spending within Finance was associated with two large projects – Lane II and Kingsdale Garage.

2.3.3 MBE/WBE/EDGE Spending

In the last several years, the City of Upper Arlington procurement staff have devoted significant efforts to conducting outreach efforts to expand the recruitment and participation of MWBE/EDGE firms in procurement opportunities with the City of Upper Arlington. This has included attendance at outreach meetings, proactive solicitation, and attendance at procurement events.

Additionally, as of 2021, the Purchasing Office began specifically tracking purchases (via spreadsheet) associated with Minority/Women-owned Business Enterprises (MBE, WBE) as well as Ohio's Encouraging Diversity Growth and Equity (EDGE) program. These metrics are summarized in the table below:

Year/Metric	# of Procurements	Total Spend
2021	**7**	**$178,627.61**
EDGE	-	-
MBE	7	$178,627.61
WBE	-	-
2022	**20**	**$266,626.61**
EDGE	1	$88,000.00

Year/Metric	# of Procurements	Total Spend
MBE	19	$178,626.61
WBE	-	-
2023	**10**	**$1,768,321.59**
EDGE	5	$89.528.48
MBE	4	$127,891.59
WBE	1	$1,640,430.00
Grand Total	**37**	**$2,213,575.81**

The total spend associated with these types of vendors has increased each year, though the number of procurements decreased between 2022 and 2023 (YTD). It is also important to note that four out of the seven purchases were c ancelled in 2021.

2.3.4 State Contract Usage

Another metric currently being tracked is the use of state contracts. The information below shows contract usage for 2022 and up to May 2023:

Year	# of POs	Total Spend
2022	8	$356,002.13
2023	11	$1,013,954.39

State contract usage has increased (in terms of both number of POs and total spending) between 2022 and May of 2023.

3. Best Practices Assessment

As part of its engagement with the City of Upper Arlington's Purchasing Office, the Matrix Consulting Group benchmarked the office against a set of procurement industry best practices. This assessment highlights the existing strengths and potential improvement opportunities in the procurement function. Improvement opportunities are being evaluated further to develop the final recommendations.

Each performance target is identified in the first column. Whether the division meets this target or not is identified via a check mark in the 'Meets' or 'Does Not Meet' column. Explanations are provided in the 'Notes' column. Note: a check mark in both the 'Meets' and 'Does Not Meet' column indicates that the division partially meets this target. This assessment was developed via review of data items provided to the project team (including the purchasing manual) and interviews with division staff.

3.1 Key Strengths

The following key strengths were identified as a result of this assessment:

- **Technology:** The City has the framework for a fully digital procurement process. Internal stakeholders make requisitions via the ERP software, which is then utilized to issue POs. Vendor registration is 100% online as is the process for viewing and responding to open bids. Contracts are also recorded digitally. Finally, a list of cooperative purchasing opportunities is accessible via online platforms. These software solutions are implemented City-wide with no deviations by department.

- **Cooperative Purchasing:** The City has implemented a variety of cooperative purchasing opportunities for its stakeholders. These include entities such as Omnia Partners, Sourcewell, and contracts through the State of Ohio.

- **Procurement Code:** The City's procurement code supports several key elements of a fair and ethical procurement process. The code establishes those authorized to approve procurements (based on threshold, type), contract amendments/change orders, and has sections governing vendor and internal stakeholder actions. The City is also endeavoring to update its procurement code as of 2023 to ensure it aligns with the City's goals and purchasing requirements.

3.2 Improvement Opportunities

Analysis found the following potential opportunities for improvement:

- **Documentation:** The City lacks some key documentation for use by stakeholders in the procurement process. This includes:
  - A purchasing manual. This document would comprehensively define internal stakeholder (i.e., those making purchases) requirements as well as describing the overall procurement process.
  - A guide for external vendors – i.e., a "how to do business guide". This document/ resource would serve to inform vendors on how to interact with the City's procurement function. Topics could include how to register their company with the City/State, interacting with the bid portal, and defining key timelines for procurement – such as signing a contract/PO within a certain time period.
- **Contract Tracking:** Currently, departments are responsible for monitoring and maintaining their own open contracts. While they may be encouraged to notify Purchasing of issues related to said contract (ven dor compliance, change orders, contract modifications, etc.), this is done on a purely reactive basis. The Purchasing Office should be monitoring all contracts (related to a purchase order) entered into by the City. Purchasing should strive to implement a comprehensive contract tracking system that:
  - Automatically flags contracts approaching a specified spending limit (50% of contract, 100% of contract, etc.).
  - Has a mechanism in place that receives and tracks contract modifications and/or compliance iss ues.

  Another key issue is that was raised is that there are some instances where a contract has been entered into by the City that is not communicated to the Purchasing Office. One example includes the use of temporary Parks and Recreation staff.
- **KPIs and Reporting:** The Purchasing Office performs quarterly reporting on procurement activities, but these are done at a high level and are not rooted in key performance indicators (KPIs). The City should establish KPIs that are routinely monitored by the Pur chasing Administrator as well as relevant City leadership entities.
  - This approach further highlights the need for Purchasing to have a well-documented internal policy/process that encourages the delivery of key datapoints to the Office. This includes ha ving formal requisitions

associated with POs in the ERP system as well as having accurate contract data available at any given time.

– Other information relevant to the City's internal procurement goals (such as targeting MWBEs and local vendors) may require additional data points to be developed and explained to City staff that interact with procurement.

Performance Target	Meets	Does Not Meet	Notes
A comprehensive procurement policy has been developed and distributed to all staff outlining required practices in procuring goods, services, and construction services.	✓	✓	While the City has defined its key procurement practices within its code (Chapter 138), there is no 'purchasing manual' distributed to City staff.
The procurement policy has been reviewed and revised within the last three years.	✓		The City is currently revising its procurement code to better address current operations, most prominently via the adjustment of procurement thresholds.
All key staff in procurement functions have attended required training on Procurement Policy. All new staff assigned to procurement functions are required to receive, review, and attend training upon appointment.	✓	✓	Training on procurement is provided informally at the request of City staff. No formal training is offered to staff. There is some documentation on how to engage with the procurement software and locating cooperative contracts, but these are potentially out of date.
The procurement policy outlines procurement authority levels by position title with increasing levels of authority based upon position level.	✓		The procurement code defines who has purchasing authority based on the value of the requisition.
The procurement policy contains an ethics section governing staff and vendor actions.	✓		The procurement code contains several subsections dealing with ethics, primarily section 138.18 ("Debarment or Suspension") and 138.20 ("Unlawful Interest in a Public Contract").
The Procurement Division has published a "How To Do Business" Guide for vendors. The guide has been revised within the last three years.		✓	Such a guide does not exist, though the Purchasing Administrator provides assistance and training to vendors at their request.
A customer survey has been conducted within the last three years to elicit feedback regarding service levels and practices. When was the last survey issued?		✓	No survey has been issued by the Purchasing Office in the last three years.

Performance Target	Meets	Does Not Meet	Notes
Contracts entered into by staff are either: • Reviewed prior to signing by City legal staff; or • Within procedure guidelines, where legal review is not conducted based upon contract templates having received prior legal approval.	✓		As per section 138.11 of the procurement code, "All contracts shall be reviewed and approved as to form by the city attorney or designee before being executed by the city manager.."
Purchasing maintains a master listing of authorized purchasers for each department with designated authority level.	✓	✓	Procurements are initiated by department heads or their designees. Outside of purchases for $7,500 or less and/or through an existing contract, all purchases must go through the Purchasing Office. This is not formally documented as a master listing, however.
All changes in designated users (addition of new staff, termination of existing staff) are communicated within 24 hours to Procurement by the appropriate department.		✓	See above.
The division's policies and procedures outline the process, guidelines, and criteria to be utilized in making a determination regarding the appropriateness of executing a contract extension versus conducting a new solicitation.	✓	✓	The purchasing code (138.08) outlines the criteria and process for initiating contract modifications but does specifically deal with the issue detailed in this benchmark (extending a contract versus going out to bid for a new one).

Performance Target	Meets	Does Not Meet	Notes
The Organization has utilized the webpages to provide the following services: • Access to procurement policy. • Online electronic vendor registration. • Online interactive request for quotation (RFQ) process. • Online posting and distribution of formal solicitations (IFB, RFQ, RFPs). • Email notification of post ed formal solicitations to all registered vendors. • Receipt of formal bids and proposals electronically • Posting of bid tabulation results following opening • Posting of award notifications online.	✓	✓	The Purchasing Office page has the following features: • Online electronic vendor registration. • Online interactive request for quotation (RFQ) process. • Online posting and distribution of formal solicitations (IFB, RFQ, RFPs). • Email notification of posted formal solicitations to all registered vendors. • Receipt of formal bids and proposals electronically The City's procurement code is available elsewhere on the website, but not specifically via the Purchasing Office page. Bid results and award notifications are not posted on the Purchasing Office's webpage.
The division serves as the centralized procurement authority with responsibility and authority to oversee all City purchasing and review of compliance with established policies and procedures.	✓	✓	Purchasing has codified its authority as the centralized procurement function for the City, however: • It was noted during information gathering that there are some contracts entered into by external departments that the Purchasing Office is not made aware of. • Furthermore, some purchases below the $7,500 threshold may not require a PO and are thus not tracked by Purchasing.
Purchasing is responsible for maintaining a centralized listing of registered vendors.	✓		Vendors are required to register with the City, accomplished via its website.
The City utilizes a common procurement software system across all departments.	✓		The City utilizes various software solutions as part of its procurement function – these do however remain the same across all departments: • IonWave is used for the posting and tabulating of bid opportunities. • Requisitions are submitted through New World (finance software). POs are issued through this system. • OnBase is used for the digitization of contracts. • Excel is used for tracking metrics related to procurement.

Performance Target	Meets	Does Not Meet	Notes
Staff involved with procurement can view historical purchases online to evaluate current bids, proposals, and quotations against prior purchase experience.	✓	✓	The Purchasing Office has access to historic procurement data and performs quarterly reporting on procurements exceeding $15,000.
Appropriate internal controls are in place within the procurement system to generate reports or flag actions where: • Total purchase expenditures for common services and/or goods across multiple departments exceed established approval levels. • Identification of requested payments that would exceed authorized contract or purchase order limits. • Contract amendments or change orders exceed a pre-determined percentage of the original authorized amount.		✓	This is not tracked within the procurement system, nor by Purchasing in general. The department that requested the contract is responsible for monitoring spending and contacting Purchasing for items such as contract amendments/change orders.
Master databases are maintained of all service and construction contracts entered into by the City.		✓	Departments are responsible for keeping track of their own open contracts.
Contract amendments are reviewed by appropriate legal authority and/or Purchasing when the total dollar value of the amendment exceeds 25% of the original contract amount.	✓		As per section 138.08 of the City's code, all contract amendments must be reviewed and approved by the City Manager, the City Attorney, and the Finance Director.
Appropriate documentation is maintained supporting the selection decision reached by staff.	✓		A formalized approach is utilized to evaluate vendors including use of multiple reviewer. All documentation should be maintained by Purchasing with the bid files.
Contracts for services exceeding a pre-determined threshold must receive authorization from Procurement Services Division prior to approval.	✓		All requisitions exceeding $7,500 must engage in a competitive bidding process. Those exceeding $40,000 must go to City Council for approval. Exceptions are made for emergency purchases and purchases made through existing cooperative contracts.
Services and commodities utilized by multiple departments are acquired through a joint effort coordinated by the division to achieve best value for the City.	✓		The City makes use of cooperative contracts for a variety of goods and services. This includes a cooperative contract for the acquisition of office supplies. The City also makes use of Sourcewell, OMNIA Partners, and TIPS-USA.

Performance Target	Meets	Does Not Meet	Notes
Vendors are evaluated at completion. Those vendors not receiving a satisfactory rating are not eligible for continued placement on the master contract.	✓	✓	There is not a formal vendor evaluation process following the completion of a contract/delivery of goods. The City's procurement code does allow for debarment under serious circumstances, which must be approved by the City Manager.
A standard policy has been established across all departments outlining the process to be followed in evaluating and selecting vendors for service contracts (i.e. – numerical ratings, consensus selection, etc.).	✓	✓	While processes and criteria are routinely utilized, a more defined and consistent approach to evaluation of vendor proposals would be beneficial.
Basic documentation on service contracts including RFPs/RFQs, vendor submissions, selection process, etc. is maintained by Purchasing for all contracts.	✓	✓	This practice is followed for most, but not all, contracts. It was indicated that there are several contracts initiated by other departments (particularly relating to temporary employees) that are not handled by Purchasing.
Purchasing staff conduct periodic spend analysis to determine commodity areas where group purchasing would be more effective.	✓	✓	As noted earlier, Purchasing creates quarterly reports on purchases within a specific threshold. These can be used to determine opportunities for cooperative purchasing. However, a formal annual spend analysis is not conducted. If implemented, this may identify additional areas where master contracts/group purchasing opportunities would be beneficial for the organization.
The Purchasing Office identifies and makes users aware of available cooperative purchasing agreements and GSA-like/State schedules available for direct purchases.	✓		The City makes use of several cooperative purchasing contracts, including the use of state contracts and entities such as Sourcewell. Departments are made aware of these by the Purchasing Office, though no master listing of purchasing agreements exists.
The Procurement Division has a defined compliance function with defined tasks, duties, and required reviews.	✓	✓	Compliance-related duties (detailed earlier in this report) are spread amongst the Purchasing Admin, Finance Director, City Manager, and the City Attorney.
To the extent possible, staff are cross trained, within their functional areas, to provide continuity of service and to enable work reassignment during periods of especially high and low work volumes.	✓		As there is only one dedicated purchasing employee, all procurement-related duties are performed by this position. The Accounting Assistant is cross-trained on many procurement duties and can assist during absences. The City should keep this practice in mind when/if it adds additional positions to Purchasing.

4. Purchasing Operations Analysis

This chapter contains operational recommendations for the Purchasing Office based on the analysis and subsequent findings in this engagement. Operations broadly refers to topics such as policies, practices, use of technology, training, and other holistic practices.

4.1 Purchasing Manual and Templates

Procurement departments often document their key procurement processes and requirements in a purchasing manual. This document is provided to all staff engaging in procurement processes throughout the organization. Content typically found in a procurement manual includes:

- Purchasing thresholds and corresponding authority levels
- The organization's purchasing policies, such as those governing ethics and regulatory measures
- Purchasing requirements – such as when to go out to bid, when to get informal quotes, etc.
- Documentation requirements for different types of procurements, such as external entities' requirements for specification development
- Bid evaluation processes
- Contract evaluation and management processes
- An overview of the training programs in place for procurement

The State of Ohio's Procurement Manual (March 17, 2023) would be a useful resource for use as an example of the types of content included in a document of this kind.

A procurement manual serves to standardize the procurement process, acting as the centralized source for information on how the organization engages in purchasing. All policies and procedures outlined in the document should be adhered to by any personnel engaging in procurement activity.

An additional benefit to having such a manual is that it helps to ensure that regulatory, ethical, and procedural measures are adhered to across the organization. For instance, clearly defining the type(s) of documentation required for different types of procurement ensures that – in the event of an audit – the organization has a clear paper trail associated with each procurement it has engaged in.

Since this document is a manual, the content should be written and constructed in a manner that allows it to serve as a training resource for those unfamiliar with the procurement process in the organization. The product should provide a comprehensive overview of how to effectively engage with the purchasing process while maintaining compliance with defined procurement code and policies.

Upper Arlington currently has some documentation related to procurement via its procurement code (available online via Municode), as well as a procurement process map developed in 2020 which has been shared with each department. These do not, however, exist in a formalized procurement manual. In the context of the City's goals as they relate to purchasing KPIs, having defined and adhered to processes and accompanying documentation is imperative to allow for the creation of useful datapoints for the tracking of these goals.

It was also found during the stakeholder survey that one of the few complaints related to the procurement process was that it was often hard to understand, requiring regular interactions with the Purchasing Administrator to work through issues and lack of clarity regarding the processes to be followed. The development and training on a comprehensive procurement manual would rectify this issue by providing clear written direction on procuring goods and services in Upper Arlington.

The purchasing manual should be regularly maintained and updated in accordance with changes to the City's purchasing policy. This duty should likely fall to the Purchasing Administrator or an individual in Finance due to their expertise and regular interaction with the process.

4.1.1 "How To Do Business Guide"

A similar document should be developed for those who are doing business with the City. Many high-performing procurement departments possess a "How To Do Business Guide" that is generally accessible to current and potential vendors – usually via their website. This serves the same purpose as a purchasing manual, only it focuses on vendor-specific topics such as:

- Regulatory requirements for doing business with the organization and how to fulfill them (such as registering with the City and/or State)
- How to engage with the bidding process, such as submitting a bid via an online portal and monitoring for results
- How the organization evaluates bids

- Specific timelines that the vendor should be aware of – such as when a contract must be signed
- How the organization evaluates and maintains an open contract
- Any specific policies the organization has regarding vendor preferences (such as for local vendors or MWBEs)

Again, this document should be constructed in a manner that allows those unfamiliar with the organization's procurement process to effectively engage with purchasing. Similar to the purchasing manual, this helps standardize and improve the overall quality of vendor engagements, can help to increase the vendor pool for any given procurement, and helps ensure that vendors act in good faith upon entering into a contract (due to the contract evaluation/maintenance procedure being defined).

Upper Arlington should consider developing such a guide and ensuring that it is easily accessible to all current and future vendors doing business with the City. This document should be monitored and regularly updated to ensure alignment with current procurement policies and procedures.

Recommendation: Develop and implement a purchasing manual for use by those who engage in procuring goods and services for their department/division.

Recommendation: Create a "How To Do Business Guide" for use by current and future vendors doing business with the City.

4.1.2 Procurement Templates

To increase consistency in the procurement practices, the Procurement Office should develop standards templates and quote forms that can be used by operating departments in handling quotations. This template should provide a standard format for acquiring the quotes and outline the standard terms and conditions that vendors will need to comply with upon award.

Additionally, the coversheet utilized for the procurement should document in a consistent manner the approach taken by the department to ensure that a sufficient number of quotes were solicited and that documentation of the efforts taken to ensure quotes were solicited from vendors within MWBE, local or small business categories to support the diversification of the vendor pool.

The template should be developed by the purchasing administrator with input from Finance and operating department staff to provide a simple means for ensuring the competitiveness of the procurement, equity in outreach to vendors, and ensure consistency in information submitted.

Additionally, templates should be developed for utilization during the formal procurement processes (RFPs, RFIs, RFQs, etc.) to provide a consistent approach to evaluating submittals and defined evaluation criteria. This approach will limit rater bias during reviews and increase the consistency in the evaluation of proposals submitted.

Recommendation: Develop a template for use by operating departments in handling and documenting their procurements occurring at the informal quotation level.

Recommendation: Develop a template for RFP and RFQ evaluations to reduce bias during reviews.

4.2 Training and Customer Engagement

Industry best practices dictate that procurement teams should regularly engage with its customers, particularly via the use of stakeholder surveys, scheduled strategy meetings, and internal procurement trainings. While the Purchasing Office currently provides a high level of customer service (as shown by the survey results), it has not formalized any of these processes. Stakeholder surveys are not regularly issued, nor are internal trainings offered by the department.

Stakeholder surveys should be offered at least once a year and should focus on identify strengths and improvement opportunities for Purchasing. Survey results can be used to prompt further conversations with external departments as well as inform the development of goals and key performance indicators (KPIs) for the next fiscal year.

Procurement training should be offered to all City personnel that are not yet familiar with Upper Arlington's procurement processes and procedures. Trainings should cover basic steps such as procurement planning, thresholds, ethics, contract evaluation, and documentation requirements. Feedback from stakeholder surveys can also be used to create targeted training opportunities to address pain points identified by respondents.

Recommendation: Conduct an annual survey of all City personnel involved in procurement to understand training needs and satisfaction levels.

Recommendation: Develop and implement regular procurement training to City personnel on procurement processes and procedures.

4.3 Spend Analysis to Establishment of Additional Master Contracts and Expansion of Cooperative Purchasing.

4.3.1 Spend Analysis.

The City currently buys the vast majority of goods through individual solicitations or purchase orders, or through contracts held by a single department. This style of purchasing foregoes efficiencies which could be realized by combining purchases of similar goods and services for different departments, or purchases which recur over the course of the year.

To capitalize on this opportunity, an annual spend analysis should be conducted to determine additional contracts that should be established for city-wide use. A spend analysis of dollars spent during the prior year, enables procurement to determine common commodities / services that are utilized by several departments. If these items are not currently covered by a city-wide contract, a single bidding effort to establish a contract can be implemented.

On an annual basis, the Department should conduct a high-level spend analysis on procurement spending to identify common recurring purchases, whether they are made over a long period of time (12 months) or by different departments. Once identified, these purchases should be targeted for coordinated sourcing using a contract. Utilizing contracts typically results in lower per unit costs and speeds procurement by allowing departments to buy off established contracts.

The City is currently procuring items such as fuel, salt, and vehicle purchases from cooperative purchasing or consortium efforts. However, these can also be used for a wide variety of office equipment and supplies, and materials and supplies for Public Works operations, and almost any commonly purchased items.

Purchasing should maintain a master listing of established contracts and train departments on the availability of these contracts. A complete listing of established contract available to departments should be available on the website or intranet.

Recommendation: Purchasing should conduct an annual spend analysis to identify common or recurring purchases for which a contract may be established in order to realize cost savings and streamline the purchase of goods and services.

4.3.2 Expansion of Cooperating Purchasing.

While individual cities and agencies are able to secure competitive pricing on goods and services by issuing a request for bids, smaller organizations can benefit from economies of scale by taking advantage of cooperative contracts available to them. The City of Upper Arlington utilizes this approach currently. It should continue to identify additional cooperating purchasing sites and sources to further increase the efficiency of procuring goods and services and reduce the number of procurements handled internally.

The City of Upper Arlington should seek to expand its use of cooperative purchasing, both by seeking out existing municipal contracts to piggyback, and by participating in purchasing collectives available within Ohio and nationwide. Many communities with strong cooperative purchasing networks have been able to achieve over 10% of purchases through these efforts eliminating the need to conduct one-off purchases or solicitations.

Recommendation: The City should continue to expand the use of cooperative purchasing and purchasing consortiums to reduce workload and take advantage of pre-established pricing already established through competitive measures to realize cost savings and streamline the purchase of goods and services.

4.4 Tracking Procedures

A benefit of centralized purchasing is that it allows for a significant degree of control and oversight over the goods and services procured by external departments. Centralized purchasing departments are aware of the types and number of purchases made by authorized personnel as well as the status of all open contracts.

Upper Arlington's Purchasing Office acts as a largely centralized procurement operation, however some practices related to the tracking of purchases could be implemented to give it better visibility into purchases made by City personnel.

Currently, only some purchases require a requisition or purchase order. Requisitions are inconsistently utilized. Purchase orders are typically only created for high-dollar items, items that require the encumbering of funds, and for procurements that go out for a formal bidding process. Budgeted small purchases generally do not go through the procurement process. Requisitions should be utilized for all procurements over the department threshold and ideally, over time, for all procurements as it enables the City to encumber funds once obligated and to develop the data needed to track and analyze procurement spend.

After signing a contract, management and monitoring of said contract currently falls to the department that requested the purchase. The Purchasing Office does not actively monitor open contracts to track spending, vendor compliance, etc. Purchasing is brought in whenever issues arise, or a change order/contract modification is required.

It is recommended that the City revise internal policies and systems to allow for the tracking of all purchases made and contracts entered into by the City. All purchases, regardless of threshold, should at least have a corresponding PO and should potentially have a requisition as well. All City contracts should be centrally monitored and maintained by the Purchasing Office. Most ERP/procurement systems have a module dedicated to contract maintenance, generally with a feature that automatically flags contracts approaching predefined spending limits or if it is approaching the contract's end date.

New World, the City's current ERP, has this functionality, allowing for custom notifications, contract milestones, creation of user-defined fields, development of contract workflows, and has built-in reporting functions.

This approach will allow the Purchasing Office a greater degree of control over procurement in the City and allow them to be more proactive with the contract maintenance process as opposed to the more reactive approach currently in place.

Furthermore, this change is vital to the City's initiative towards creating procurement specific KPIs. Requisitions, POs, and contracts all would serve as consistent data points to be used to evaluate Purchasing's performance. These represent the procurement cycle which is generally used as a key metric for measuring performance in most purchasing departments. Having partial data (as is the case now) makes this metric impossible to implement and maintain.

These requirements should be clearly defined in the City's procurement manual.

Recommendation: Require all purchases to have a corresponding requisition and purchase order (PO) to increase procurement controls and allow for better tracking of procurement data.

Recommendation: Centralize the tracking and maintenance of contracts under the Purchasing Office. Develop or implement a module in the current ERP software to automatically flag contracts based on spending or time elapsed.

4.4.1 Contracts Outside of Purchasing

As a supplement to section 2.3, the project team analyzed a list of active contracts that were not handled via the Purchasing Office. The exported data includes various 'types' of contracts such as addenda, change orders, and original contracts. The number of each entry, along with the total value associated with them (if applicable), are found in the following table.

Contract Type	Count of Entries	Total Value
Addendum	34	$660,100.00
Certificate Of Insurance	1	$0.00
Change Order	2	$1,640,430.00
Miscellaneous	3	$105,000.00
Non-Disclosure Agreement	1	$0.00
Original Contract	232	$6,157,959.57
Grand Total	**273**	**$8,563,489.57**

In total, there were 232 original contracts entered into by departments without input from Purchasing that are currently active. The table below shows the total number of contracts per department, as well as the total value of active contracts associated with each department.

Department	Count of Contracts	Total Value
Aquatics	1	$15,000.00
City Attorney	1	$8,000.00
City Manager	21	$738,680.51
Community Affairs	3	$3,500.00
Cultural Arts	5	$19,425.00
Electrical	1	$179.16
Engineering	4	$498,022.27
Facilities	15	$2,370,136.95
Fire	10	$50,860.00
Fitness	25	$141,500.00
Forestry	1	$25,000.00
Human Resources	7	$30,772.00
Information Technology	14	$86,370.52
Mayor's Court / Clerk of Courts	2	$8,200.00
Parks	90	$1,898,993.83
Police	5	$40,630.00
Public Service	7	$151,589.33
Senior Center	20	$71,100.00
Grand Total	**232**	**$6,157,959.57**

Several Parks and Recreation divisions had the largest number of active contracts not handled directly by Purchasing – with Parks being the single largest. The number of contracts by threshold level is summarized in the following table:

Threshold	Count of Contracts
0-7,500	182
7,501-40,000	42
40,000+	8
Total	**232**

The majority of these contracts fell under the $7,500 or less threshold, which means they do not require City Manager or Council approval. However, 50 exceeded $7,500 – eight of which were valued at $40,000 or more.

4.5 Purchasing Thresholds

A component of this study involved evaluating the City's purchasing thresholds for recommendations on potential adjustments, particularly as it relates to the level that requires Council approval. The table below contains the current thresholds:

Threshold Amount	Requirements
$7,500 or Less	No bid required (minimum 3 quotes) department heads can sign contracts up to and including $7,500.
$7,501 - $40,000	Competitive bid required (posted online). City Manager must sign the contract.
$40,001 or More	Competitive bid process required (posted online). Requires approval from City Council.

Currently, purchases of $40,000 or more require that the contract be approved by Council prior to the delivery of goods and services. Contracts going to council require a significant time investment from multiple personnel. The table below summarizes an internal document called "City Council Meeting Preparation" that defines each step in the process and allocates level of effort to staff involved in each step.

Task	Staff	Total Hours	Hours/Staff
Draft/Review Staff Report (1)	7	4	0.6
Draft Ordinance (1)	1	1	1.0
Prepare Agenda	2	18	9.0
Director's Meeting - Agenda Review	11	11	1.0

Task	Staff	Total Hours	Hours/Staff
Meet with City Council Members	3	4.5	1.5
Answering Council Inquiries Prior to Meeting	3	2.5	0.8
Attend City Council Meeting	7	21	3.0
Total		**62**	**16.9**

Presenting to Council requires roughly 62 hours of staff time across the staff involved in the process. The number of staff can vary depending on the department and/or procurement, as department staff are included in reviewing the report and attending the Council meeting. This means that these hours are variable in nature, as the more purchases involved in a presentation may results in more preparation and review time.

In 2022, Council was responsible for approving a total of 49 ordinances associated with expenditures and contracts as per an internal document provided to the project team.

Type	$7,500 or Less	$7,500 - $40,000	$40,000+
CONTRACT	205	242	125
STANDARD BID	152	130	38
CONSTRUCTIOI	2	2	22
BLANKET BID	4	1	0
Total	**363**	**375**	**185**

Based on a PO report for those issued between 2020 and 2022, the majority of POs fell into either the $0 - $7,500 or $7,500 to $40,000 over the last three years. However, a total of 185 POs – 125 of which were contracts – breached the $40,000 threshold.

The NIGP performed a survey of multiple procurement organizations across a variety of public sector entities in 2019. Part of this benchmarking effort involved discovering the median and average thresholds (based on spending) for all entities polled. This is summarized in the table below:

Threshold Type	# Polled	Average	Median
Small Purchases	59	$13,364	$5,000
Small Purchases (IT)	53	$13,129	$5,000
Requiring at Least Three Quotes	58	$23,609	$10,000
Requiring at Least Three Quotes (IT)	52	$24,790	$10,000
Requiring Written Quotes	58	$28,183	$10,000
Requiring Written Quotes (IT)	52	$32,569	$10,000
Requiring Formal Competition	60	$54,033	$26,450
Requiring Formal Competition (IT)	54	$57,611	$35,000

Source: Public Procurement Benchmark – 2019 Survey Report. https://www.nigp.org/resource/research-papers/Public%20Procurement%20Benchmark%20-%202019%20Survey%20Report.pdf

It is important to note that these thresholds are focused on the actual bidding process, not necessarily who has purchasing authority. That being said, the average purchasing threshold on average (requiring formal competition) exceeds $50,000 for both IT and non-IT purchases. Finally, the State of Ohio is another benchmark that can be used to determine an appropriate threshold adjustment. As per the State's 2023 Procurement Manual, the current thresholds are:

Threshold Amount	Requirements
$5,000 or Less	Small purchases – solicitations encouraged but not required.
$5,001 to $25,000	Two or more written quotes are required.
$25,000 to $50,000	Agency must submit a requisition via OhioBuys.
$50,000 or More	Purchase requires Ohio DAS approval.

Effective October 3, 2023, the competitive bidding threshold for certain public construction projects with the State of Ohio will increase from $50,000 to $75,000 through 2024, and then will increase by 3% annually as determined and published by the Director of the Ohio Department of Commerce.

Based on the comparative information, NIGP survey, and State procurement changes, there is some basis to adjusting the thresholds associated with each level of authority in the procurement process. The following table identifies new dollar thresholds recommended:

Threshold Amount	Approval	Requirements
$10,000 or Less	Dept. Head	No bid required (minimum 3 quotes suggested).
$10,001 - $40,000	City Manager	Minimum of three written quotes required.
$40,001 - $100,000	City Manager	Formal procurement process (posted online).
$100,000 or More	City Council	Formal procurement process (posted online).

This approach provides more authority to departments in terms of the purchases they can make before involving Purchasing and increases the approval authority of the City Manager to purchases of $100,000 or less. Applying the new thresholds to POs issued over the last three years results in the following distribution of procurements:

Type	10,000 or Less	10,001-40,000	40,001-100,000	100,000+
CONTRACT	235	212	69	56
STANDARD BID	180	102	28	10
CONSTRUCTIOI	2	2	2	20
BLANKET BID	4	1	0	0
Total	**421**	**317**	**99**	**86**

Adjusting the thresholds in this manner does not necessarily adjust the procurement processes used, primarily the level of authority required for a given purchase. All procurements over $40,000 should still be required to engage in a formal procurement process. Using these thresholds, only 86 (as opposed to 185) procurements would have gone before Council for final approval over the last three years.

Similarly, increasing the small purchase threshold to $10,000 reduces the number of 'small' procurements that require City Manager approval and a competitive bidding process. 421 (or 45.6%) of all purchases made in the last three years were under $10,000. This also brings the small threshold in closer alignment with the NIGP standards as well as a few other comparative entities.

An added benefit of this change is that it formalizes the requirement for three competitive quotes for purchases between $10,000 and $40,000. The current code is not clear on which purchases within this range are required to go to a formal competitive process versus those that are not.

Recommendation: Increase purchasing authority for department heads to $10,000 and the City Manager to $100,000.

Recommendation: Formalize the requirement for competitive quotes for procurements between $10,001 and $40,000.

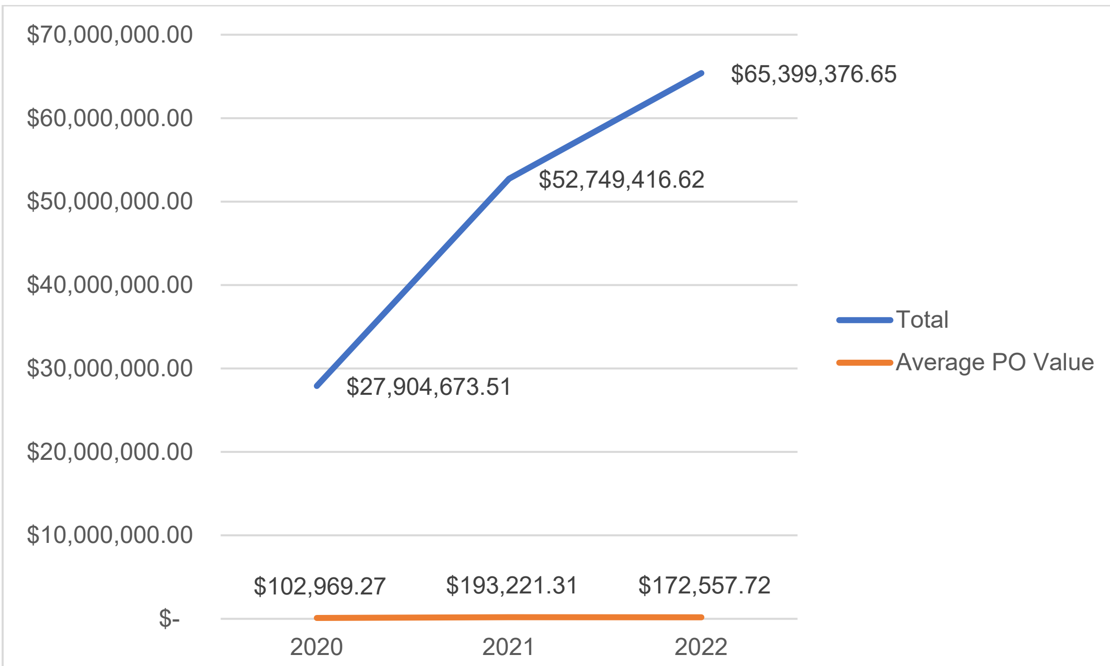
4.6 Staffing

The Purchasing Office is currently staffed by one FTE – the Purchasing Administrator. This role is entirely responsible for the City's core procurement functions, including converting specifications to a requisition/bid, posting bids and monitoring responses, developing procurement policies, procedures, and training, and performing analysis and reporting on procurement activities.

Comparative analysis of other municipalities shows that most procurement functions are generally staffed by one or two FTEs, which aligns with the Purchasing Office's current staffing levels.

Using requisitions and purchase orders as a benchmark, the workload for Purchasing has increased since 2020. The number of requisitions submitted by departments have remained fairly consistent each year (around 100 are eventually promoted to a PO). The total number of POs issued increased from 271 in 2020 to 380 in 2022. Furthermore, the total PO value (for all POs issued) increased by about 130% from 2020 to 2022:

PO Value (2020 – 2022)



Beyond these two metrics, this report does make some recommendations that could result in additional workload being generated for the Purchasing Office. This includes:

- Developing and maintaining a purchasing manual/how to do business guide.
- Requiring purchase orders (or ideally, requisitions) to be associated with all City purchases.
- Tracking and analyzing data related to KPIs.
  - Other KPI-related workload could include providing staff and vendor training, vendor outreach events, and internal/external surveys.

While it is hard to estimate the impact that these operational changes could have on the Purchasing's Office overall workload, it is recommended that the City remains cognizant of the need for additional staff to facilitate some of the above tasks. This is particularly true for the development, tracking, and analysis of data related to KPIs.

While the core purchasing function can currently be performed with the current staffing level, the City could investigate the implementation of an analyst-level position to assist with data-related work. The City could utilize a current position in the Finance department (such as the Accounting Assistant or Fiscal Technician) to assist with some of the data-related work needed to properly execute the performance metrics suggested in the report.

Ultimately, the City should consider staffing needs for any of the changes suggested in this report. More procurement-specific staff may be required in the near to late future if procurement continues to increase its overall workload.

Recommendation: Consider additional or shared staffing resources to assist with KPI implementation, tracking, and analysis.

Recommendation: Continue to monitor Purchasing Office workload to determine the need for additional procurement-specific staff.

5. Key Performance Indicators

Key performance indicators (KPIs) are an essential performance management tool, used by teams across all types of organizations to set and measure performance expectations. Purchasing is no exception – the National Institute of Governmental Purchasing (NIGP) states that "Procurement should have a performance measurement system that assesses progress towards achievement of the strategic plan." (NIGP 2023).

KPIs should be establish in any procurement function to track their overall effectiveness and efficiency of service delivery – such as total time between a requisition submittal to the issuance of a PO. As noted by the quote above, KPIs can also be developed to address specific goals of an organization. In Upper Arlington's case, this involves increasing the utilization of minority and women owned business enterprises (MWBEs) as well as local vendors.

At their core, KPIs allow procurement organizations access to useful datapoints to better understand how well they are meeting their customer's needs. It is recommended that the Purchasing Office implement a series of 'core' KPIs as well as KPIs targeted towards tracking MWBE/local vendor engagement.

5.1 Core KPIs

'Core' KPIs track overall procurement performance. These are targeted towards providing Purchasing with useful data insights on its ability to meet its customer's needs. The list below lists KPIs that should be implemented by the Purchasing Office in the short term (one to two years):

#	KPI	Description
1	Total Spend	Total $ processes through procurement activities.
2	Total Spend by:	
	Type/Threshold	E.g., Competitive versus non-competitive.
	Department	Tracks spend by department.
	Vendor	Tracks spend by vendor
3	Total Requisitions/POs by:	
	Type/Threshold	E.g., Competitive versus non-competitive.
	Department	Tracks volume of activity by department.
	Vendor	Tracks volume of activity by vendor
4	Cooperative Contract Utilization Rate	How many purchases were made through co-op contracts? Note: this is already being informally tracked by Purchasing.

#	KPI	Description
5	Procurement Cycle	Time from specifications development, to requisition, to bid, to PO, to delivery of services.
6	Internal Customer Outreach	
	# of Survey Issued/Results	
	# of Procurement Trainings	
7	Vendor Evaluations	
	% of Orders Delivered on Time	
	% of Orders Delivered Accurately	
	# of Compliance Issues	
8	Customer Satisfaction Rate	Institute a regular internal customer survey and develop actionable goals based on results.
9	Vendor/Business Community Outreach	
	Vendor Surveys/Goals	What is/is not working with the procurement process from an external point of view?
	# of Vendor Trainings Held	

These KPIs would allow Purchasing to have a comprehensive understanding of its service levels, help it identify areas for improvement, and formalize customer and vendor engagement as part of its operations.

An important caveat is that many of these KPIs are reliant on having a comprehensive dataset – something that may not necessarily exist within Purchasing (as detailed in Chapter 2). In order to implement these KPIs and use them effectively, the City should ensure that they first commit to establishing the metrics that they will use to track them – such as making sure that all purchases have a corresponding requisition and/or PO.

Next are KPIs that may be useful to the Purchasing Office but are not necessarily considered 'must-haves'. These should be implemented at the City's discretion and should be determined based on the availability of staff to perform this analysis:

#	KPI	Description
1	Cost Reductions from Procurement	Comparing winning bids against competing bids, savings from use of co-op contracts.
2	Strategic vs. Ad-Hoc Procurements	How many purchases were previously planned/budgeted versus 'ad-hoc'?
3	Vendor Retention Rate	How many repeat vendors?
4	PO/Contract Accuracy:	
	Specification Development Time	
	# of Change Orders	

The KPIs utilized by the City should be continuously evaluated for effectiveness, and additional KPIs may be developed based on how Purchasing meets these goals, feedback from stakeholders/vendors, or new City initiatives.

Recommendation: Establish and track baseline key performance indicators (KPIs) for procurement.

5.2 MWBE/Local Vendor Specific KPIs

The following metrics target the utilization of MWBEs and local vendors specifically.

#	KPI	Description
1	Total Spend on MWBE/Local Vendors	Ratio of spending on MWBE/local vendors vs. all vendors. Continue to monitor and track this metric.
	By Type/Threshold	
	By Department	
2	Total # of Contracts Awarded to MWBE/Local Vendors	Ratio of contracts awarded to MWBE/local vendors versus all vendors. Continue to monitor and track this metric.
3	Growth (Monthly/Quarterly/Annually) for MWBE/Local Vendors	
4	# of Outreach Events and Programs	
5	MWBE/Local Vendor Retention Rate	How many of these vendors are repeat clients of the City?
6	# of Bids Received from MWBE/Local Vendors	For any given bid opportunity, how many bids were submitted by vendors in these categories?

These indicators focus on establishing key data points surrounding the types of vendors that Upper Arlington is focused on targeting, such as the total spend on MWBE or local vendors compared to total procurement spending. They also formalize targeted outreach programs – such as events, surveys, and trainings, that will help identify and address potential issues and discrepancies preventing MWBE and/or local vendors from engaging in business with the City.

Similar to the core KPIs in the previous section, these targeted metrics should be continuously evaluated, updated, and added to based on outcomes, feedback, and new City initiatives.

Recommendation: Establish KPIs to enable the effective monitoring of the utilization of MWBEs and local vendors over time.

5.2.1 Preference Policies

A common strategy employed by procurement functions aiming to increase engagement with a particular vendor base (such as MWBEs or local vendors) often utilize preference policies to do so. These are commonly used during the bid evaluation process where specific preferred vendors are awarded additional points/percentage points based on their specific status. While this is a common strategy, it can be counteractive to the overall goal of procurement. The NIGP's stance on preference policies is quoted below:

> *NIGP: The Institute for Public Procurement maintains the position that preference policies, including local preferences, conflict with the fundamental public procurement principles of impartiality and full and open competition. Therefore, NIGP does not support the use of preference policies.*
>
> *Source: Local Preference in Public Procurement, NIGP, 2015 https://www.nigp.org/resource/position -papers/Local%20Preference%20in%20Public%20Procurement%20Position%20Paper.pdf?dl=true*

Instead of implementing broad preference policies, the NIGP suggests establishing datapoints that inform the organization of the types of procurements more or less likely to be engaged by specific types of vendors – including MWBEs. This information should then be used to perform outreach efforts – such as vendor recruiting or training – that targets these vendor groups without impacting the evaluation process itself.

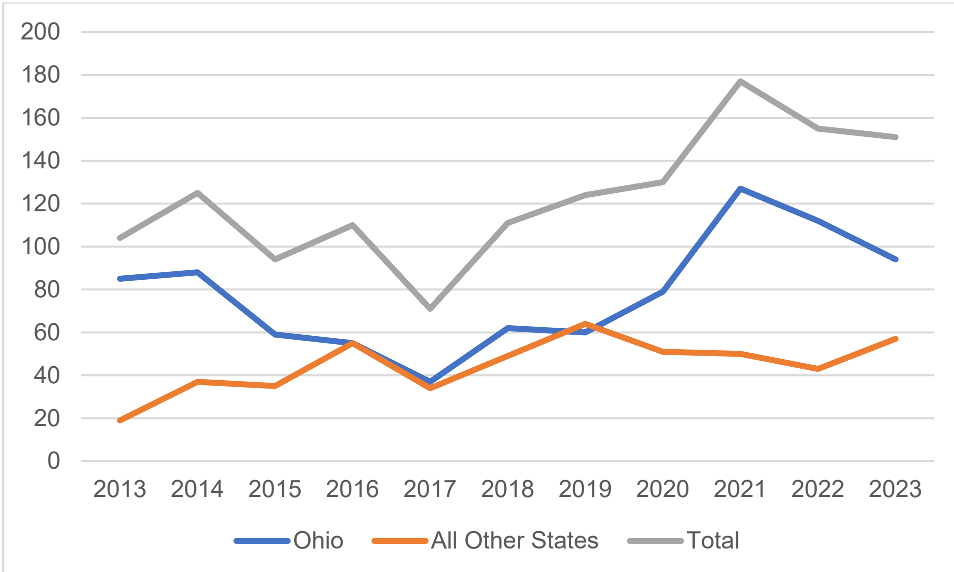
The City of Upper Arlington utilizes federal guidelines and goals for MWBE participation on procurement involving federal funds and where those guidelines require this approach.

None of the comparative entities of comparable size in the region surveyed during the comparative survey have adopted formal programs for MWBE/Local business preference. While larger communities, such as Columbus and Cleveland, have adopted formal programs and preferences, they have also implemented a robust program of certifications and staffing support for these efforts. The City of Upper Arlington should initially focus on enhancing outreach and support to MWBE / local business firms to increase their participation in the procurement process.

5.2.2 Vendor Tracking

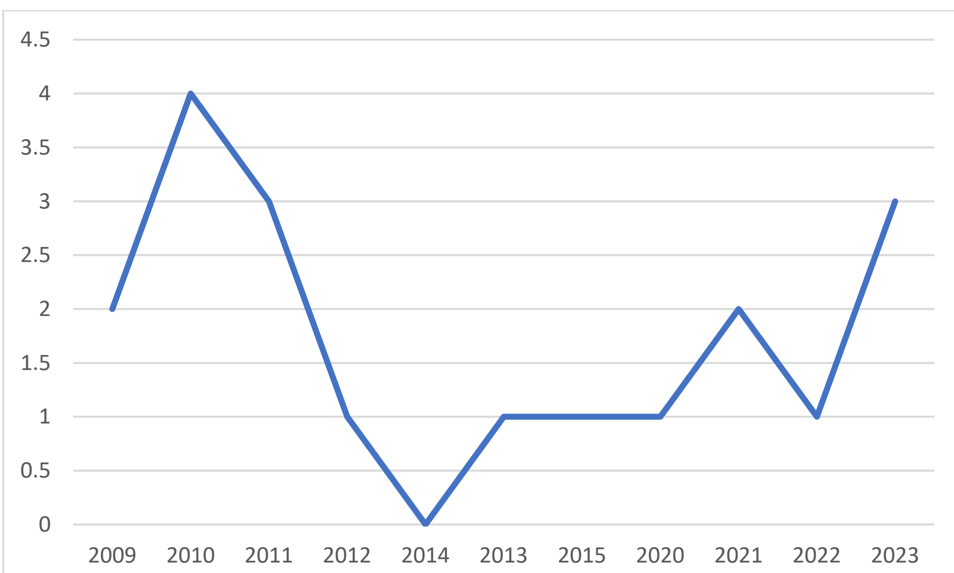
The City utilizes IonWave for vendor registration as well as for the posting of competitive bids online. This system allows for the capture and centralization of all vendor information. The development of this data source would also allow the City to directly notify vendors of potential bid opportunities. This is a great data source for developing KPIs surrounding the types of vendors doing business with the City.

Vendor Registration by State (2013 – 2023)



The example above shows the number of vendors that registered with the City – based on the state their business is registered in – each year between 2013 and 2023. Utilization of vendors in Ohio increased dramatically between 2019 and 2021 but appears to have been decreasing since.

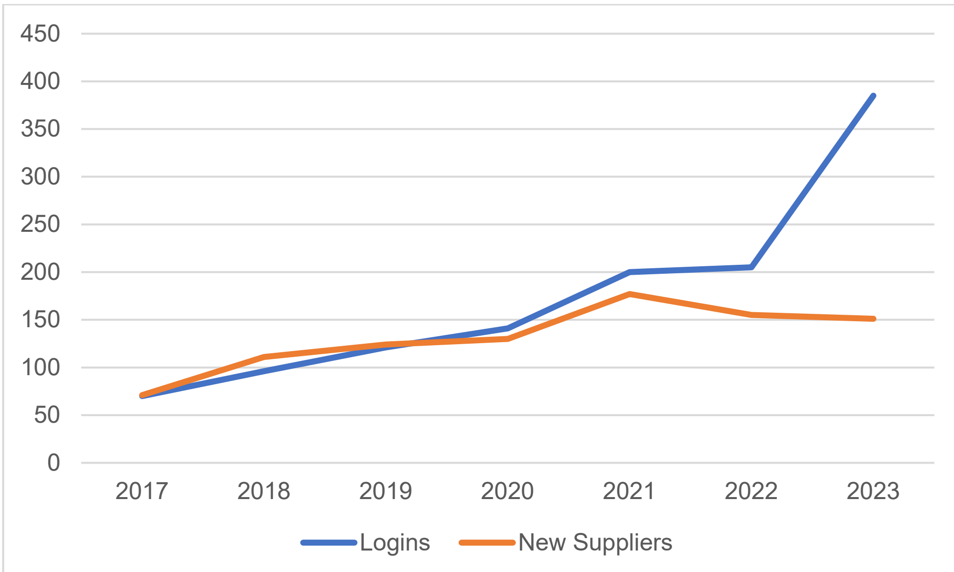
Local Vendor Registrations (2009 – 2023)



This data can also help the City track the number of local vendor registrations. The table above shows how many vendors that are located in Upper Arlington registered to do business with the City each year from 2009 to 2023.

The data also shows the last time each vendor logged into the IonWave system, which could be used as an engagement metric:

Logins and New Suppliers (2017 - 2023)



Configuring the vendor registration portal to include an option for further demographic information, such as whether the business is an MWBE, would allow for much easier access to datapoints that would assist in the development of additional KPIs and the facilitation of those suggested in the prior section.

In addition to self-registered vendors, the City should, at least on formal solicitations, conduct research to identify major vendors that provide the desired service or professional service and where feasible conduct proactive direct outreach to these vendors, if they are not already registered, to potentially increase competition on procurement opportunities.

Appendix A – Stakeholder Survey

As part of the project initiation, the project team developed and distributed a stakeholder survey to gather current sentiments surrounding the procurement process in the City. The survey was initially distributed to department directors, though respondents were encouraged to share the survey with those in their department who had interacted with the Purchasing Office in the past. In total, the survey received 12 responses from 14 potential respondents.

5.1 Key Findings

- **Overall Satisfaction:** 100% of respondents were either satisfied or very satisfied with the services provided by the Purchasing Office.
- **Purchasing Staff:** Respondents were highly positive towards the customer service, communication, and support they received from the Purchasing Administrator. 100% of respondents indicated they were satisfied or very satisfied with the overall level of support they received from the Purchasing Office.
- **Training and Information:** The only statement that received an overall satisfaction rating lower than 50% related to the quality and availability of training materials related to the procurement process. A need for training on the procurement process was noted in multiple comments in the narrative section of the survey.
- **Complexity of the Process:** Similar to the point above, some comments noted that the processes involved can be unclear or complicated, with many suggesting that there may be opportunities to streamline the procurement process via technology implementation/updates or revisions to code and standards.

5.2 Demographics

As noted in the introduction, the survey was distributed to department directors, with the option for additional staff to be added during the survey period. The tables below show the makeup of respondents by department and frequency of interaction with the procurement function:

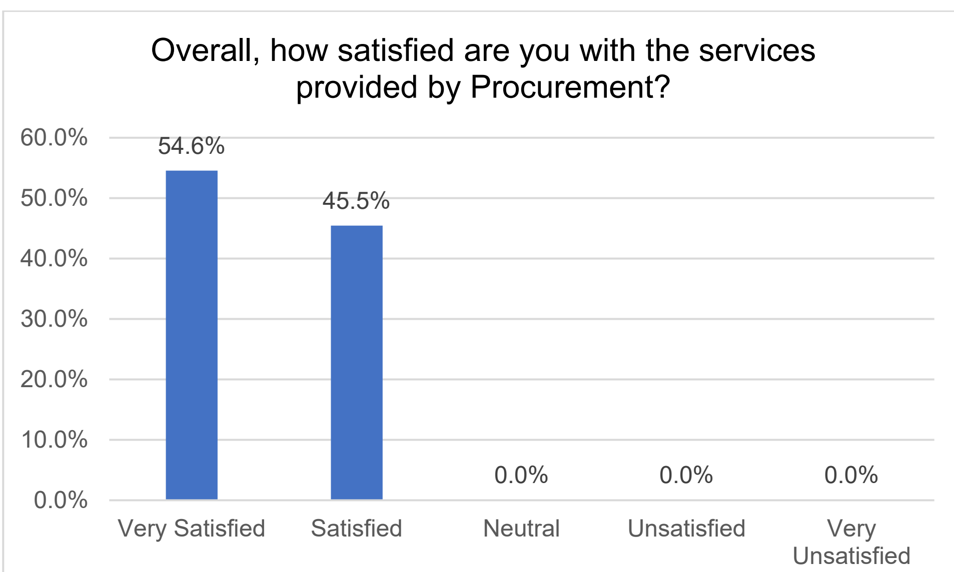
Department	# of Respondents	% of Total
City Attorney	1	8.3%
City Clerk	0	0.0%
City Manager's Office	2	16.7%
Community Development	0	0.0%

Department	# of Respondents	% of Total
Engineering	0	0.0%
Finance	1	8.3%
Fire	1	8.3%
Parks and Recreation	4	33.3%
Police	1	8.3%
Public Works	0	0.0%
Other (Specify below)	2	16.7%
Total	**12**	

Under the "Other" category, one respondent was from Information Technology, and the other was from Public Service.

Response	# of Respondents	% of Total
Several times per month	9	75.0%
Once or twice per month	2	16.7%
Several times per year	1	8.3%
Once or twice per year	0	0.0%
Never	0	0.0%
Total	**12**	

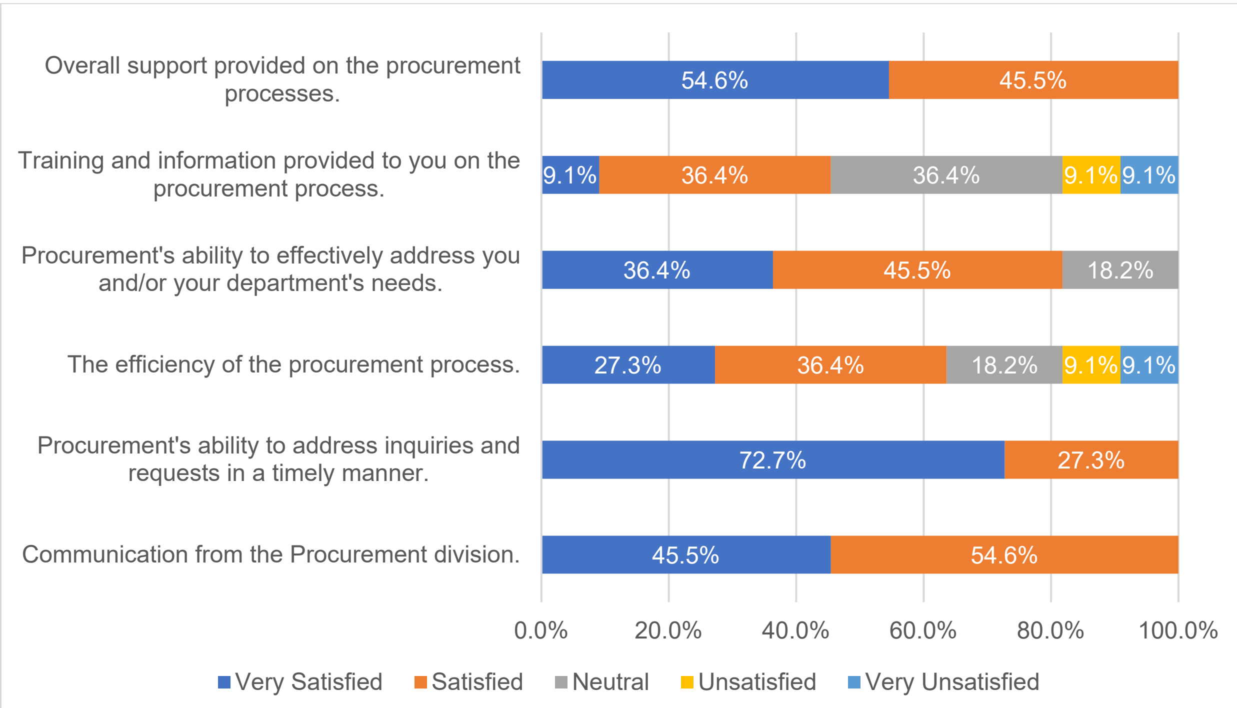
75% of respondents interacted with the Purchasing Office several times per month.



100% of respondents were either very satisfied or satisfied with the services provided by the Procurement Office. The next section takes a closer look at satisfaction levels based on metrics such as communication, timeliness, and efficiency.

5.3 Multiple Choice Questions

Respondents were asked to provide ratings based on their level of satisfaction with each of the statements below:



The results show strong positive sentiment towards several aspects of the procurement process. 100% of participants felt as though they received timely responses, as well as high-quality communications and support, from the Purchasing Office.

A potential issue identified by the responses above relates to the quality of the information and training available to those interacting with the procurement process. This statement was the only one to receive an overall satisfaction rating lower than 50%.

Respondents were also given the option to explain their answers to each statement, which are summarized below. Each heading provides the number of comments associated with the question, and the bulleted list indicates how many respondents provide input aligning with the overall theme of the comment.

Overall Support (4 Comments)

- High-quality support from the Purchasing Administrator (4)
- The above, plus a need to ensure that the City retains (and adds to) the current staffing quality/level allocated to procurement (1).

Training and Information (5 Comments)

- An area that could be improved (1).
- Lack of clarity on the processes involved in procurement – what to follow based on needs and requirements (2).
- A standardized document for training on the procurement process for all staff (1).
- A “How Do I Buy Things” video training (1).
- Training on the use of the Service Now portal for better use of state purchasing opportunities (1).

Addressing Needs (4 Comments)

- Endorsement of Purchasing staff and their ability to respond to each department’s needs (4).
- The above, plus noting that there are a variety of contracts that Purchasing is not directly associated with that may not be handled to the Office’s standards (1).

Efficiency (6 Comments)

- The process is complicated and sometimes unclear, resulting in hang-ups (2).
- Receiving multiple quotes can be difficult due to vendor time constraints (1).
- Noted improvements to efficiency in the last year (1)
- A desire to see some processes automated within the process, such as having the requisition system automatically triggering the appropriate workflows depending on the type of procurement. Also suggested exploring more offerings from Tyler to assist with this (1).
- Having a standardized checklist or template for each type of procurement (1).

Timeliness (4 Comments)

- Procurement staff are highly responsive to questions and willing to work as a business partner (2).

- Tasks are performed quickly, sometimes with a same-day turnaround (depending on complexity and quality of documentation) (2).

Communication (3 Comments)

- Clear, concise, and responsive communications from Purchasing Office staff (3).

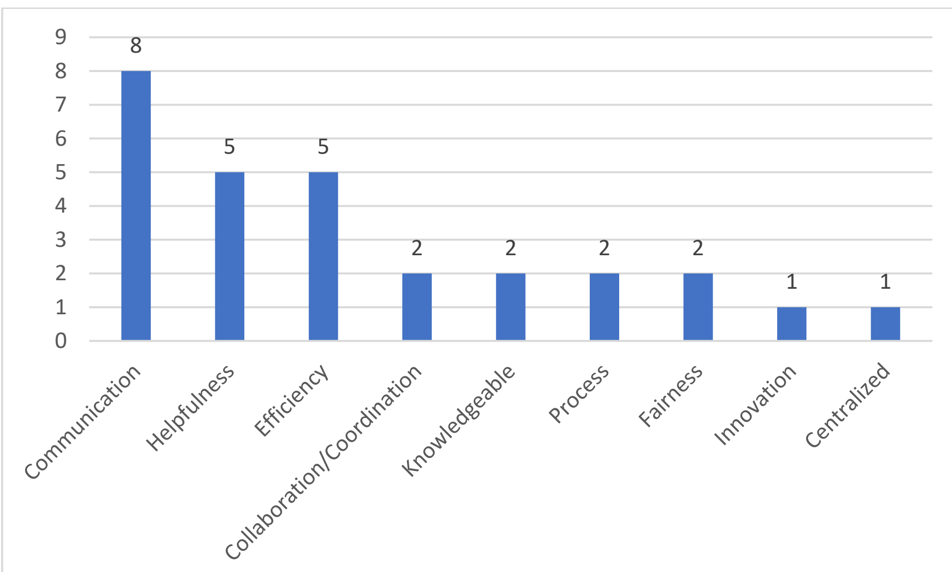
5.4 Narrative Questions

The survey concluded with a series of questions that asked for a narrative response from participants. These asked respondents to identify the strengths, general opportunities for improvement, and any specific technological upgrades that could be made to procurement in the City.

For this analysis, comments have been grouped into broad categories to allow for the visualization of results. Example comments for each question are also provided.

5.4.1 Strengths

Ten respondents provided a total of 28 comments related to the strengths of the procurement process, summarized in the chart below by key theme:

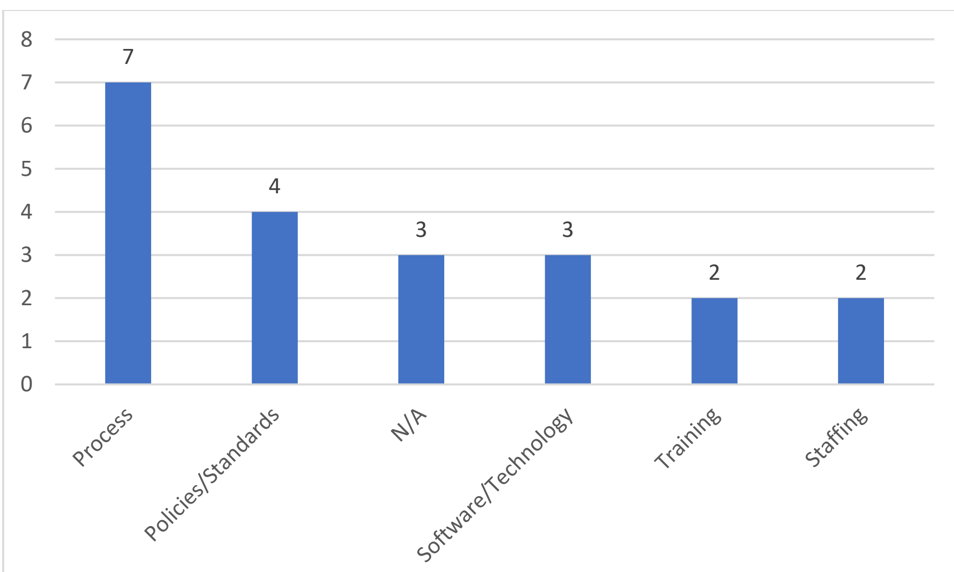


- Eight out of the 28 comments commended the level of communication provided by the Purchasing Office – noting responsiveness and that staff is always available to respond to inquiries.

- Similarly, five comments underlined the overall helpfulness of the Purchasing Administrator – with two examples noting that they regularly receive assistance when compiling documentation.
- Five comments noted that the purchasing process is timely and efficient, with one specifically citing the process between Council approval and finalization of a contract.
- Two comments highlighted the collaborative approach (when working with departments on a procurement) taken by Purchasing staff as a strength.
- Two comments lauded specific aspects of the process. Specifically, the use of annual service agreements and sharing procurement opportunities with Ohio MBE/DEB/EDGE. Similarly, one comment stated that the centralized nature of procurement is to the City (and staff's) benefit.
- Two comments found the process to be fair and transparent.
- One comment praised the Office for being innovative and willing try new methods.

5.4.2 Opportunities for Improvement

Eight respondents provided a total of 21 comments that they identified as improvement opportunities for the procurement process. Out of these, three indicated "N/A". These are summarized by key theme below:



Seven comments suggested various process improvements, including:

- Better planning of procurement schedules by stakeholder departments.
- Ways to identify more potential vendors.
- Allowing direct City Manager approval for routine operational contracts.
- Increasing staff purchasing authority beyond $7,500.
- Reducing staff time in the pre-procurement process.
- Simplifying the overall process and how procurements are routed through the organization.

The second most common category related to establishing and updating policies and standards, such as:

- Standardizing bidding timelines.
- Making the procurement code and policies more consistent and simplified.
- Revising procurement code to address unique purchases – for example, software service packages.

Three comments suggested software and technology improvements, including:

- Allowing departments access to the State of Ohio system and other purchasing consortiums.
- Implementing a contract tracking system that automatically reminds stakeholders of when contracts are set to expire.

Both training-related comments requested additional training on the procurement process ("How to buy things."), while two more statements recommended that additional staffing be added to the Purchasing Office to further improve their service offerings:

- Having dedicated Purchasing staff assigned to high-volume departments.
- Increasing staff capacity (via more positions) to allow Purchasing to have a more direct role in interacting and coordinating with vendors.

5.4.3 Technology Solutions

The final open response question asked respondents to provide examples of new technology solutions (or updates to existing ones) that they would like to be incorporated into the procurement process. Eight participants provided input for this question, though two of these read "N/A". The six remaining respondents suggested the following improvements:

- A contract tracking mechanism.
- Automation of the procurement workflow.
- A reduction in the number of email communications associated with the process (such as for bid initiation, review of bids, and contract development).
- An evaluation of the effectiveness of IonWave against potential alternatives.
- The implementation of the online contract submission portal (in progress).
- Automation of the dispersal of bid documents, such as RFQs, with the intent of increasing the number and diversity of responses.

Appendix B: Comparative Assessment

The Matrix Consulting Group was contracted by the City of Upper Arlington to assist in the creation of procurement KPIs, program development, and benchmarking. As part of this project, a comparative assessment was performed.

The comparative assessment is designed to gain insight into how peer cities manage procurement processes. The project team and City staff agreed on the following 7 organizations for use in this assessment:

City	Population
Delaware, OH	42,814
Dublin, OH	49,085
Gahanna, OH	35,440
Hilliard, OH	36,892
Stow, OH	34,342
Westerville, OH	38,862
Worthington, OH	14,564
Upper Arlington, OH	36,295

The following analysis encompasses each of the topics we asked peer cities to provide information on.

- Staffing & Structure
- General Procurement Operations
- MWBE
- Software

3.1 Staffing and Structure

The first table focuses on the staffing levels of procurement/purchasing sections within each City along with their procurement budget.

Staffing/Structure Comparison

	Procurement Staff	Procurement Budget	Organizations Total Spend Last FY
Delaware	2	$324,124	$188,695,966
Dublin	1	(Finance) $1,812,000	$212,329,135

	Procurement Staff	Procurement Budget	Organizations Total Spend Last FY
Gahanna	1 coordinator in finance, but decentralized structure	(Finance) $3,101,815	$26,523,096
Hilliard	Finance covers purchasing	-	$104,000,000
Stow	Purchasing Division in Service Department	-	-
Westerville	2	(Admin) $1,935,000	$184,000,000
Worthington	No procurement specific staff	-	$44,210,614
Upper Arlington	1	$1,182,434 (total finance)	$128,269,856

Note that hyphens throughout the tables denote information that could not be obtained by the project team.

Upper Arlington has 1 FTE committed to procurement within the City which is very comparable when looking at similar sized cities in Ohio. All cities had placed their procurement staff within administrative services, finance, or a similar department, comparable to Upper Arlington. Although, Delaware is planning to create a Management, Budget, & Procurement Department, according to their budget. Procurement budgets were difficult to compare as they were often tucked within the finance or other lead department, as in Upper Arlington. Upper Arlington fell directly in the middle of the 7 total cities where data could be found, when looking at total organizational expenditure last FY.

3.2 General Procurement

This following two tables summarizes information on procurement processes and policies, including total spend, requisitions, purchase orders, KPIs, and training.

Quantitative Procurement Comparison

	Delaware	Dublin	Gahanna	Hilliard	Stow	Westerville	Worthington	Upper Arlington
Total Procurement spend in last FY	-	-	$24,108,044	~$23,000,000	$24,478,937.65	~$96 million was spent in FY 2022 on goods, services, and construction. ~$37 million was oversight of purchasing	Non-Payroll Spend was $19,727,253	$65,399,376
Requisitions Last FY	-	-	832	736	2,610	~3,500	460	137
POs Last FY	-	-	813	736	2,476	~3,500	460, requisitions turn into PO's	379

Qualitative Procurement Comparison

	Delaware	Dublin	Gahanna	Hilliard	Stow	Westerville	Worthington	Upper Arlington
Bid Selection Approach	City Manager awards to lowest responsive and responsible bidder. City Manager reports contract awards to City Council.	Lowest and Best	Select from 3 lowest bidders	Scoring system, not necessarily always the lowest bid wins	Lowest and most responsive	Lowest and Best	Competitive Bids – Lowest RFP's– low price but best quality	Lowest and Best
An Accessible Purchasing Manual	No	No	Yes	In process of developing	Yes, and available to all staff	Yes, manual & policies are available via intranet to all staff.	Administrative regulation for purchasing/procurement and have guidelines to assist with people new to the accounting system.	No

	Delaware	Dublin	Gahanna	Hilliard	Stow	Westerville	Worthington	Upper Arlington
Internal Procurement Training	-	No	Try for multiple times a year, it is at least offered once a year	This is in the works to be done with new manual	As needed	Yes. Training is offered via onboarding presentations and quarterly meetings with departmental support staff. A separate training is required for all staff that are issued a P-Card.	Yes, via one-on-one if the staff mem ber requests it, utilize the guidelines.	No
External Vendor Training	-	No	No	No	If needed	No formal external training but plenty of informal outreach and support	No	No
KPIs, Metrics	-	No	No	Currently working on cost recovery methods for some departments	No	Yes (see below)	No	No

	Delaware	Dublin	Gahanna	Hilliard	Stow	Westerville	Worthington	Upper Arlington
Procurement Goals	-	Developing procurement manual and procedures currently	Encouraged is as far as we go currently	Local vendors, quality, and fiscal responsibility	Lowest & most responsive bidder	A fair transparent procurement process/system that maximizes public value and dollars spent while increasing vendor participation including small and diverse businesses	Utilizing local vendors, we are talking about initiatives in our DE&I processes to establish MWBE vendors	Establish KPIs for procurement in general. Encourage growth of MWBE/Local vendors. Create KPIs to track the use of MWBE/local vendors

Overall, Upper Arlington is in the same place as many of its peers. A majority of cities that responded to the survey have no formal internal or external training, KPIs/metrics for procurement that they track, or a fully comprehensive purchasing manual. Most cities approach bidding by awarding lowest and best as well. There are some differences we would like to point out:

- Westerville seems to be the most advanced in terms of developing a fully operational procurement program. They were able to provide well thought out answers to every question and the only program they did not report as currently conducting was external vendor training on a formal basis. They were the only community to track KPIs and metrics for procurement, as detailed in their answer here: "Regularly monitored performance metrics include: savings from the formal competitive efforts led by the central purchasing office, savings from decentralized "3-Quotes" purchases initiated at the departmental level, spend via cooperative purchasing contracts and the associated savings, # of P-Card transactions and the associated spend, spend directed to small and diverse businesses, instances of seeking competition, # of invitation to bid communications sent by the central purchasing office, # of document takers for solicitations issued by the central purchasing office, and # of bids/proposal received by the central purchasing office."

- Upper Arlington did have significantly less (by multiple hundreds) requisitions and purchase orders when compared to other cities. Upper Arlington also had less than half of their requisitions become purchase orders, possibly indicating a lack of internal approvals becoming full purchase orders. Other cities compared in this area almost all had equal numbers of requisitions and purchase orders.

3.3. MWBE and Software

The next table focuses on the level of MWBE outreach, incentives, and involvement in the procurement process.

MWBE Comparison

	Delaware	Dublin	Gahanna	Hilliard	Stow	Westerville	Worthington	Upper Arlington
MWBE Spend Last FY	-	-	Not tracked	Not tracked	Not tracked	~$1.9 million spent on small & diverse businesses 2022. YTD for 2023 ~$2.6 million (small & diverse)	Not tracked	$425,884.64
Incentives for MWBEs	-	Policy is to go local if possible	No, but policy does encourage it	No	No	No formal preference programs or policies but encouraged to support small and diverse businesses	No	No

Monitoring MWBE Procurement Participation	-	No	No	No	No	On a quarterly basis, track and report on spend with small and diverse businesses	No	No

Upper Arlington does track dollar spend with MWBEs, unlike many of its counterparts. Much like a majority of the cities compared, Upper Arlington does not currently have incentives for MWBE vendors and does not track MWBE participation in the role of procurement. Again, Westerville has a well-developed procurement program that can be used as a successful example when looking at MWBE policy.

The following table compares the various software applications used in the procurement process.

Software Comparison

	Delaware	Dublin	Gahanna	Hilliard	Stow	Westerville	Worthington	Upper Arlington
Procurement Software	-	MUNIS	MUNIS	Civica	Currently Software Solutions but switching to BS&N in 2024	Bonfire's hosted eProcurement and Central Square Technologies' Finance Enterprise solution	Software Solutions Inc's accounting system, Visual Intelligence Portfolio (VIP)	IonWave

	Delaware	Dublin	Gahanna	Hilliard	Stow	Westerville	Worthington	Upper Arlington
Procurement Tracking Software	-	MUNIS	Decentralized. Each Department has a procurement person who enters requisitions and processes invoices after verification all goods and services were received	Civica	-	Bonfire's hosted eProcurement solution is used for formal Bids/RFPs and solicitations issued by the central purchasing office.	By PO and utilizing reporting and functions in the accounting system. CIP projects get tracked by separate expense accounts	Excel
Contract Tracking	-	-	Decentralized each department tracks contracts they initiate	Each department is currently responsible for their contracts	Through open POs	Hyland's Onbase software is used to house all City contracts. Active term contracts are managed through a contracts module within Bonfire.	We have a contract inventory spreadsheet	Each department keeps track of its own open contracts. We upload signed contracts into OnBase.
Requisition Tracking	-	-	All requisitions go through the accounting software	Through system	Hard copies signed by Dept Head & turned into Purchasing	Central Square Technologies' Finance Enterprise solution is used for all requisitions.	Yes, through our accounting system	All requisitions go through our Finance System, New World. It is a Tyler Technologies software application.

Upper Arlington, along with all other respondents, have a procurement software currently in use. Although, 4 of the cities that were compared utilize this software for procurement tracking as well, unlike Upper Arlington that uses Microsoft Excel. Contract tracking is primarily overseen by individual departments for each of these communities, except for Westerville, which uses a software application. Upper Arlington compares well in the area of requestion tracking, as all cities compared utilize finance software, except Stow.

Comparatively, Upper Arlington is in a similar situation as many of its peers. Other communities are also currently developing procurement/purchasing programs as they see it's vital importance to city operations. Westerville is the most comprehensive and well-developed program, especially on the topic of diverse business involvement.

Appendix C: Key Performance Indicators (KPIs)

A key component of this study was to develop key performance indicators (KPIs) for use by the Purchasing Office. KPIs are a powerful tool that establish criteria for determining the results and quality of an organization's activities. According to the National Institute of Governmental Purchasing (NIGP), "Procurement should have a performance measurement system that assesses progress towards achievement of the strategic plan." (NIGP 2023).

The development of KPIs begins with establishing strategic goals for procurement. The City has already indicated its desire to increase utilization of Minority and Women Owned Business Enterprises (MWBEs) – including the use of Ohio's Encouraging Diversity Growth and Equity (EDGE) Program – as well as increasing the number of local vendors doing business with the City. An overarching goal is to further diversify its vendor pool including increasing the number of small, minority and local vendors.

4.1 Performance Management Framework

NIGP details the four key elements of performance management for procurement as follows:

- **Strategic Planning:** Establish who is responsible for creating, maintaining, and reporting on KPI progress. Establish who they should report to. Define specific time frames for reporting (monthly, quarterly, annually). Establish what should be monitored and how data is to be collected.
- **Implementation:** Implement KPIs developed in the previous phase and begin measuring organizational performance against them (see below).
- **Monitoring Progress:** Collect data, prepare reports, and present to relevant entities who are responsible for evaluating progress.
- **Identify Opportunities for Improvement:** Based on the step above, identify areas that are working well as well as areas that could be improved. This may result in the creation, updating, or elimination of certain KPIs.

4.2 Core KPIs

The City currently does not have any established KPIs for procurement – part of the impetus for this specific study. Therefore, this chapter contains recommendations on broad procurement KPIs ('core' KPIs) based on general subject areas recommended by the NIGP.

- Internal and external customer satisfaction
- Timeliness (time in progress versus agreed upon times)
- Quality (number of errors, number of change orders)
- Effectiveness (savings)
- Efficiency (cost of operations)

Furthermore, the KPIs included in this section touch on some datapoints that could be useful in monitoring Purchasing's overall operations based on the project team's prior experience. The table below contains some suggested 'core' KPIs:

#	KPI	Description
1	Total Spend	
2	Total Spend by:	
	Type/Threshold	
	Department	
	Vendor	
3	Total Requisitions/POs by:	
	Type/Threshold	
	Department	
	Vendor	
4	Cooperative Contract Utilization Rate	How many purchases were made through co-op contracts?
5	Cost Reductions from Procurement	Comparing winning bids against competing bids, savings from use of co-op contracts.
6	Strategic vs. Ad-Hoc Procurements	How many purchases were previously planned/budgeted versus 'ad-hoc'?
7	Vendor Retention Rate	How many repeat vendors?
8	PO/Contract Accuracy:	
	Specification Development Time	
	# of Change Orders	
9	% of On-Time Payments to Vendors	
10	Vendor Evaluations	
	% of Orders Delivered on Time	

#	KPI	Description
	% of Orders Delivered Accurately	
	# of Compliance Issues	
11	Customer Satisfaction Rate	Institute a regular internal customer survey and develop actionable goals based on results.
12	Community/Vendor Outreach	
	Vendor Surveys/Goals	What is/is not working with the procurement process from an external point of view?
	# of Vendor Trainings Held	

Several of these KPIs include outreach to both internal and external stakeholders – whether it be via surveys, training programs, or general outreach. Such outreach is useful in developing actionable goals based on the feedback gathered, which in turn can help inform the development of new KPIs or adjustments to current ones. Formalizing the process of outreach via a KPI (such as the # of trainings held each year) will help ensure that these activities are performed.

4.3 MWBE/Local Specific KPIs

Some KPIs related to the use of MWBEs/local vendors were also developed. While these are specific to this overall City goal, many of the KPIs in the section above can also be applied to this specific group of vendors.

#	KPI	Description
1	Total Spend on MWBE/Local Vendors	Ratio of spending on MWBE/local vendors vs. all vendors.
2	Total # of Contracts Awarded to MWBE/Local Vendors	Ratio of contracts awarded to MWBE/local vendors vs. all vendors.
3	Growth (Monthly/Quarterly/Annually) for MWBE/Local Vendors	
4	# of Outreach Events and Programs	
5	MWBE/Local Vendor Retention Rate	How many of these vendors are repeat clients of the City?
6	# of Bids Received from MWBE/Local Vendors	For any given bid opportunity, how many bids were submitted by either of these groups?

Specifically targeting groups can often be a controversial topic in public procurement. For instance, NIGPs official stance on “Local Vendor Preference” is that it counteracts the overall goal of facilitating an equitable process that maximizes value to the organization.

However, the several of the KPIs in both sections are focused on identifying what could be key roadblocks to doing business with the City for vendors within these groups. For instance, KPI #6 looks at the number of bids received from MWBEs or local vendors for any given opportunity. This data can be used for subsequent analysis that identifies the types of opportunities these groups are more or less likely to bid on.

Pairing with this is a push to better understand the types of businesses both within and outside of the City. This can be accomplished through regular vendor outreach – trainings, surveys, town hall events, and vendor research. If it is discovered that specific vendors are not interacting with the City for a reason such as a poor understanding of the procurement process, then the City will be able to better address those needs via training, documentation, or refinements to the process.

Purchasing Benchmarking and KPI Assessment

Upper Arlington, Ohio

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Assessment Scope

Current Operations Review

Including an assessment of operational practices, staffing allocations and productivity

Benchmarking

To compare Upper Arlington against comparable public sector entities.

Small Business Spending

Covering MBE, EDGE, WBEs and DBEs

Data Management / Technology

To assess automation of processes and enable ease of data tracking.

Project Approach

Current State Assessment

- Documents existing organization, staffing and service levels.
- Document service levels and service delivery approaches.

Stakeholder Input

- Enabled key employees to provide input into the study. .
- Focus on critical issues such as customer service,, service levels, staffing, and technology.

Best Practices

- Compares current operations in the City against industry standards and typical practices in procurement operations.
- Identifies strengths and improvement opportunities.

Comparative

- Benchmarking staffing and operational approaches against other comparably sized communities.

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Project Approach

Operational and Staffing Assessment	• Evaluation of operational changes and staffing requirements to meet service expectations. • Analyzes improvement opportunities identified in Best Practices Assessment for potential recommendation.
Report	• Final report documenting recommendations.

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Key Strengths

Internal Stakeholder Survey Positive

Extremely positive internal satisfaction with purchasing support and operations.

Appropriate Centralization

Level of centralization of procurement functions between Purchasing and operating departments is appropriate and effective.

In Alignment with Comparative

Purchasing operations is in alignment with generally staffing allocations, service approaches, and service levels for comparably sized communities.

Recent significant improvements

Increasing proactive focus on enhancing procurement especially including vendor outreach, development and recruitment of small businesses (including MWBE businesses).

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Key Recommendations - Operational

Develop purchasing manual and provide regularly staff training on procurement processes.

Develop “How to Do Business Guide” for vendors.

Implement template for operating departments to document procurements.

Implement RFP and RFQ evaluation template to increase consistency and reduce bias.

Conduct annual spend analysis.

Expand use of cooperative purchasing and purchasing consortiums.

Require all purchases above a designated threshold to have a requisition and PO.

Centralize tracking of all contracts within Purchasing to provide spend visibility.

Key Recommendations - Thresholds

Increase threshold approval authority:

- Department Heads – up to $10,000
- City Manager – up to $100,000
- City Council – over $100,000

Change thresholds for procurement process:

- Below $10,000 - 3 informal quotes
- Between $10,000 and $40,000 – 3 formal quotes
- Over $40,000 – formal RFX process

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Key Recommendations - KPIs

Establish and expand formal procurement KPIs and provide quarterly report to Council

Implement additional KPIs to track small business / MWBE KPIs.

Questions and Discussion

RECORD OF ORDINANCES
CITY OF UPPER ARLINGTON
STATE OF OHIO

ORDINANCE NO. 29-2024

TO AMEND CHAPTER 138 – PROCUREMENT CODE OF THE UPPER ARLINGTON CODE OF ORDINANCES

WHEREAS, the City desires to foster fair and open competition for its contracting opportunities; and

WHEREAS, an effective and efficient procurement system can improve City operations and save resources; and

WHEREAS, the City contracted with Matrix Consulting Group in 2023 to perform a procurement audit and provide recommendations; and

WHEREAS, pursuant to those recommendations as described in Exhibit A, Staff recommends the improvements to the City's procurement code; and

WHEREAS, Staff believes these changes will make the procurement process more efficient while ensuring contract opportunities are awarded using the appropriate selection process.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Upper Arlington, Ohio:

SECTION 1. Sections 138.01, 138.04, 138.05, 138.06, 138.07, 138.08, 138.09, 138.10, 138.12, and 138.23 of Chapter 138 – Procurement Code of the Upper Arlington Code of Ordinances are hereby amended as described in EXHIBIT A, attached hereto and made a part herein.

SECTION 2. This ordinance shall take effect 30 days after passage.

§ 138.01 DEFINITIONS.

As used in this chapter, the following definitions shall apply:

(A) *Competitive procurement process:* A contracting method in which the city solicits proposals and/or quotes, negotiates the terms, conditions, and other relevant factors, and enters into a contract advantageous and beneficial to the city.

(B) *Construction contract:* A contract entered into for the construction, demolition, alteration, repair, or reconstruction of any building, structure, street, or other public improvement.

(C) *Formal competitive bid:* A contracting method in which the city develops bid specifications and/or documents, provides notice to bidders, requires sealed bids by a stated deadline, accepts or rejects bids and awards the contract to the lowest and best bidder.

~~(D) *Local business:* A person or business entity that has its principal place of business within the corporation limits of the city and is not delinquent in the filing of returns or the payment of income or net profits taxes to the city.~~

(D~~E~~) *Lowest and best bid:* The bid as determined by the city to be the most advantageous and beneficial to the city. Factors that may be considered in determining the lowest and best bid include, but are not limited to, the bid price, ~~any local preference credit pursuant to C.O. § 138.23~~, the bidder's experience, financial condition, conduct and performance on previous contracts, facilities, management skills, ability to execute the contract timely and properly, and compliance with federal, state, or local laws.

~~(F) *Non-local business:* A person or business entity that does not meet the definition of being a local business.~~

(E~~G~~) *Procurement contract:* A contract entered into for the buying, purchasing, renting, leasing or acquisition by any other manner of any materials, supplies, equipment, services, professional services, or grants in support of community agencies, but not including construction contracts.

(F~~H~~) *Professional services:* Services that usually require skill or expertise of an advanced, specialized, or peculiar nature, including but not limited to attorneys, architects, engineers, professional design firms, construction managers, surveyors, accountants, physicians, real estate appraisers, Realtors, insurance advisors, computer software consultants, telecommunications consultants, and third-party benefit administrators.

(G~~I~~) *Reverse auction:* A purchasing process in which offerors submit proposals in competing for the award of a procurement contract or a construction contract in an open environment via the internet. A reverse auction is not a formal competitive bid.

(Ord. No. 112-2009; Ord. No. 55-2011)

§ 138.04 COMPETITIVE PROCUREMENT PROCESS THRESHOLDS.

~~(A) The award of a procurement contract involving more than ten thousand dollars ($10,000) seven thousand five hundred dollars ($7,500.00) but not more than forty thousand dollars ($40,000.00) shall be based upon a competitive procurement process.~~

~~(B) The award of a procurement contract involving not more than ten thousand dollars ($10,000) seven thousand five hundred dollars ($7,500.00) shall not require a competitive procurement process.~~

Absent a requirement imposed by an external funding source, the following thresholds apply:

A) The award of a procurement contract of up to ten thousand ($10,000) dollars shall not require a competitive procurement process

B) The award of a procurement contract between $10,000.01 and $40,000 shall require a competitive procurement process

C) The award of a procurement contract over $40,000 shall require a formal competitive bid unless the contract falls within an exception provided by this code.

(Ord. No. 45-2013; Ord. No. 50-2015, § 1, 7-13-2015)te

§ 138.05 FORMAL COMPETITIVE BID PROCESS.

(A) Any contract expenditure, other than the compensation of persons employed by the city, for more than forty thousand dollars ($40,000.00) shall be awarded through the formal competitive bid process unless the expenditure falls within an exception provided by this code.

(~~B) For construction contracts, the purchasing administrator shall advertise a bid notice for not less than two (2) weeks in a publication of general circulation within Franklin County.~~

(B~~C~~) For procurement contracts, the purchasing administrator shall solicit bids from persons producing or dealing in the relevant field of equipment, materials, supplies, services, or professional services.

(C~~D~~) The bid notice shall contain a brief description of the item and direct potential bidders to the c~~C~~ity's website where additional information may be found.

(D~~E~~) The purchasing administrator may request additional information from one (1) or more bidders to determine the lowest and best bid.

(E~~F~~) A general notice shall be posted in the municipal services center and on the city's website stating that information concerning upcoming bids may be obtained from the purchasing administrator. The city's website shall contain additional details regarding all construction contracts and procurement contracts to be awarded through the formal competitive bid process. For construction contracts, the purchasing administrator shall advertise a bid notice for not less than two (2) weeks on the c~~C~~ity's website and if required by a grant or other funding source, in a publication of general circulation within Franklin County.

~~(G) The city manager shall only enter into contract upon passage of an ordinance by city council authorizing the city manager to enter into a written contract with the lowest and best bidder.~~

(Ord. No. 45-2013)

§ 138.06 CONDITIONS OBVIATING FORMAL COMPETITIVE BID OR COMPETITIVE PROCUREMENT PROCESS.

(A) (1) In the case of a real and present emergency arising in connection with the operation and maintenance of any department, division, commission, bureau, or board of the city, city council may, authorize the city manager to enter into a procurement contract or construction contract without a formal competitive bid or competitive procurement process.

(2) In the case of a real and present emergency as declared by either the President of the United States, the Governor of Ohio, the President of c~~C~~ity Council or the c~~C~~ity m~~M~~anager arising in connection with the operation and maintenance of any department, division, commission, bureau, or board of the city and in the interest of the public health, safety and welfare needing action prior to the next regularly scheduled council meeting, the city manager may enter into a procurement contract or construction contract without a formal competitive bid or competitive procurement process. The city manager shall, as soon as reasonably possible under the circumstances, notify city council of the details concerning the contract(s) and the emergency.

(B) The following contracts may be awarded without a formal competitive bid or competitive procurement process:

(1) Contracts for gas and electric service, postage, water and sewer service, solid waste disposal, advertising, or, where fixed prices prevail.

(2) Contracts for professional services.

(3) Purchases made in accordance with the Ohio Cooperative Purchasing Act, ORC § 125.04.

(4) Purchase of machinery, materials, supplies or other articles made in accordance with ORC § 5513.01 or the purchase of any passenger vehicle, van, truck, trailer, or other heavy equipment in accordance with ORC § 5513.04.

(5) Procurement contracts if the city is participating as an additional purchaser in an existing valid and lawful contract between a vendor and another political subdivision, a state, the U.S. General Services Administration, a federal agency, or an ~~governmental~~ approved cooperative purchasing group, provided that the other political subdivision, state, U.S. General Services Administration, federal agency, or purchasing group has procured and entered into such contract in accordance with a formal competitive bid or competitive procurement process that is substantially similar to the provisions of this chapter.

(6) Subject to the provisions of C.O. § 138.09, purchases to replenish inventories of office supplies or other purchases to replenish inventories of goods or materials that are needed on a day-to-day basis for the operation of any department or division.

(7) ~~Purchase c~~Contracts for ~~proprietary computer software~~ updates, upgrades, ~~and~~ renewals, and maintenance ~~programs.~~ for existing software, technology hardware and telecommunications services

(8) When the purchasing administrator determines that only a sole source exists. ~~for the purchase of the supply of material.~~

(9) Grants in support of community agencies.

(10) Contracts involving city services or equipment entered into pursuant to C.O. § 131.14.

(11) Purchases made from a community rehabilitation program in accordance with ORC §§ 125.60 to 125.6012.

(12) Service and maintenance contracts that support an existing strategy or method for managing all city facility security and environmental solutions.

(C) The city may enter into a contract, without advertising and bidding, for the purchase of used equipment or supplies at an auction open to the public, or at a sale where the vendor has invited the public to submit written bids.

(D) The city may enter into a contract, without advertising and bidding, for services or the purchase of material, equipment, or supplies, from any department, division, agency or political subdivision of the state.

(E) The city may enter into a contract pursuant to a reverse auction authorized in accordance with ORC § 9.314 or C.O. § 138.21.

(Ord. No. 112-2009; Ord. No. 45-2013; Ord. No. 50-2015, § 2, 7-13-2015)

§ 138.07 PROCEEDINGS ON OPENING OF FORMAL COMPETITIVE BIDS.

(A) Formal competitive bids shall be opened in public at the time, date and place specified in the notice to bidders or specifications and shall be publicly read by the purchasing administrator or designee. The date and time of bid openings may be extended by the purchasing administrator, provided that written notice of the change shall be posted at the municipal services center and on the city's website no later than forty-eight (48) hours prior to the original time and date fixed for the opening. Any modification of the plans or specifications may extend the time for opening the bids.

(B) The purchasing administrator may accept a late bid whenever the purchasing administrator determines that acceptance of the late bid is in the best interest of the city and that the other bidders have not been prejudiced by the late bid.

(C) The purchasing administrator may waive any variation from the bid requirements or defect in a bid that does not materially affect the competitive nature of the bid and does not prejudice the right of the public. A variance or defect does not materially affect the bid if the terms of the bid are clear and unambiguous, the bid contains all essential elements of the contract, the amount or competitive nature of the bid is not affected, and the bidder has not received an unfair advantage from having seen the competitor's bid documents. A variance or defect may include a clerical mistake as opposed to a judgment mistake that was actually due to an unintentional and substantial arithmetic error made in the compilation of the bid. In considering any waiver, the purchasing administrator shall attempt to secure the best work or materials at the lowest price practicable and shall make such determination in a manner as to fairly and reasonably accomplish such purpose with sole reference to the public interest.

(D) The purchasing administrator may reject any bid for any reason or all bids for no reason if acceptance of the lowest and best bid is not in the best interest of the city.

(E) If the city uses an online system to receive formal competitive bids electronically through a website purchasing portal, then the bids submitted electronically shall not be accessed until the time and date specified in the bid notice. Bids submitted electronically will be read at the bid opening. ~~The individual bid information shall be posted on the city's website after the contract has been awarded.~~

(Ord. No. 112-2009; Ord. No. 45-2013)

§ 138.08 CONTRACT MODIFICATIONS.

(A) Any modification of a contract shall only be made upon the order of the city but such order shall be of no effect until the modified contract, has been agreed upon in writing and signed by the contractor and by the city manager, on behalf of the city, approved as to form by the city attorney and finance director or their designees.

(B) The city manager may execute a change order for a construction contract, provided the adjustment does not exceed the amount including any contingency in the authorizing legislation. Change orders that cause the total contract price to exceed this authority must be approved by ordinance or resolution of the city council.

(C) The city manager may execute a change order without Council approval for a procurement contract where sufficient funds are appropriated if:

(1)~~)~~ ~~The total contract amount including the change order does not exceed one hundred forty thousand dollars ($4100,000.00); or~~ The amount of all change orders does not cause a contract that was below the $100,000 contract authority level to exceed it

~~(2)~~and ~~T~~the amount of the change order and all prior change orders does not increase the contract by more than ten percent (10%) of the original contract amount~~,~~ provided~~,~~ however, that no change order, either individually or in combination with all prior change orders, shall exceed one hundred ~~forty thousand dollars~~ ($~~4~~100,000.00) ~~without prior Council approval~~.

(2~~3~~) The change order involves a contract for the items set forth in C.O. §§ 138.06(B)(3) through (5) provided that sufficient funds have already been appropriated and the amount of the change order and all prior change orders does not increase the contract by more than ten percent (10%) of the amount specifically identified for the item in the annual budget document approved by city council. ~~Change orders that exceed this authority must be approved by ordinance or resolution of the city council.~~

(D) Change orders executed on Construction Contracts shall be reported to the city council quarterly.~~ as part of a final report at the conclusion of the project.~~

(E) No contractual liability for any modification shall be created against the city except as authorized by this section or by city council ordinance or resolution.

(Ord. No. 112-2009; Ord. No. 48-2014, 8-18-2014)

§ 138.09 CONTRACTING AUTHORITY.

(A) Except as provided in divisions (B) through (J~~H~~) below, any contract involving an expenditure of city funds shall require prior city council approval.

(B) Except as provided in division (E), the city manager may enter into any contract involving an expenditure of not more than ~~forty~~one hundred thousand dollars ($~~4~~100,000.00) without prior city council approval, provided that sufficient funds have already been appropriated.

(C) The city manager may enter into contracts for the items set forth in C.O. § 138.06(B)(1) without prior city council approval, provided that sufficient funds have already been appropriated.

(D) The city manager may enter into contracts for the items set forth in C.O. §§ 138.06(B)(3) through (5), 138.06(C), and 138.06(D) without prior city council approval, provided that sufficient funds have already been appropriated, the item was specifically identified in the annual budget document approved by city council, and the contract price does not exceed the budget estimate by more than ten percent (10%).

(E) The city manager may enter into contracts for grants in support of community agencies involving an expenditure of not more than thirty thousand dollars ($30,000.00) without prior city council approval. All contracts for grants in support of community agencies shall be reported to city council on a quarterly basis.

(F) The city manager may enter into contracts for professional services for architects, engineers, professional design firms, construction managers, or similar construction related professionals involving expenditures exceeding ~~forty~~ one hundred thousand dollars ($~~4~~100,000.00) without prior city council approval, provided that sufficient funds have already been appropriated and are available as certified by the Director of Finance, the construction project is specifically identified in the annual budget document approved by city council, the construction project is listed in the most-recently approved 10-year Capital Improvement Program, and the selection of the professional was done pursuant to the quality based selection process approved by city council. All contracts entered into pursuant to this subsection shall be reported to city council on no less than a quarterly basis.

(G) The c~~C~~ity m~~M~~anager may enter into pass through contracts where funds are collected and then distributed to the service provider without Council approval.

(H) The c~~C~~ity m~~M~~anager may enter into agreements for service, maintenance, updates and upgrades for information technology or security products and services during the useful life of the application without Council approval when Council approved the original contract.

(I~~G~~) The city manager may enter into contracts involving expenditures exceeding ~~forty~~ one hundred thousand dollars ($~~4~~100,000.00) as provided in C.O. § 138.06(A)(2) without prior city council approval, in the amount necessary to address the real and present emergency prior to the next regularly scheduled council meeting.

(J~~H~~) The city attorney may enter into contracts for professional services as authorized in C.O. § 138.06 involving an expenditure of not more than ~~forty~~ one hundred thousand dollars ($~~4~~100,000.00) without prior city council approval, provided that sufficient funds have already been appropriated.

(K~~I~~) Whenever possible contracts shall be entered into for an entire project and shall not be artificially split into multiple contracts for the purpose of avoiding the dollar limitations set forth in this section.

(L) The c~~C~~ity m~~M~~anager shall provide a quarterly report to city c~~C~~ouncil listing all contracts entered into under (B) through (J) of this section.

(Ord. No. 112-2009; Ord. No. 6-2012, 6-13-2012; Ord. No. 45-2013; Ord. No. 50-2015, § 3, 7-13-2015 ; Ord. No. 62-2016 , § 1, 11-28-2016; Ord. No. 5-2017 , § 3, 2-13-2017)

§ 138.10 DELEGATION OF AUTHORITY.

(A) The city manager may delegate to the assistant city manager the full extent of the city manager's authority to execute contracts on behalf of the city.

(B) The city manager may delegate to the director of finance or designee the city manager's authority to execute purchase orders involving an expenditure of not more than one hundred~~forty~~ thousand dollars ($~~4~~100,000.00).

(C) The city manager may delegate to a department director and the ~~C~~city ~~ouncil C~~clerk the city manager's authority to execute contracts involving an expenditure of not more than ~~seven~~ ten thousand ~~five hundred~~ dollars ($~~7,5~~10,000.00). The city manager may require the department director to follow a competitive procurement process.

(D) The city manager may not delegate the city manager's authority to execute contracts for grants in support of community agencies.

(Ord. No. 112-2009; Ord. No. 6-2012, 2-13-2012; Ord. No. 45-2013; Ord. No. 50-2015, § 4, 7-13-2015 ; Ord. No. 5-2017 , § 3, 2-13-2017)

§ 138.12 AWARD AND EXECUTION OF CONSTRUCTION CONTRACTS; PRICE; PARTIAL PAYMENTS.

(A) ~~With respect to the award of any construction contract made by the city, t~~The award and execution of ~~the~~ a construction contract shall be made within sixty (60) days after the date on which the bids are opened. The failure to award and execute the contract within sixty (60) days invalidates the entire bid proceedings and all bids submitted, unless the time for awarding and executing the contract is extended by mutual consent of the city and the bidder whose bid the city accepts and with respect to whom the city subsequently awards and executes a contract. The contractor, upon request, is entitled to a notice to proceed with the work by the city upon execution of the contract. No contract shall be entered into if the entire cost of the construction contract exceeds in the aggregate the amount authorized by law.

(B) The unit or lump sum price stated in the contract shall be used in determining the amount to be paid and shall constitute full and final compensation for all the work.

(C) Partial payment to the contractor for work performed under the lump sum price shall be based on a schedule prepared by the contractor and approved by the architect or engineer who shall apportion the lump sum price to the major components entering into or forming a part of the work under the lump sum price.

~~§ 138.23 LOCAL PREFERENCE.~~

~~(A) Local businesses shall receive a local preference credit equal to two percent (2%) of the lowest and best bid or purchase price received from a non-local business in the city's evaluation of contracts for or purchases of supplies, materials, equipment, public improvements, and services.~~

~~(B) This section shall not apply to contracts or purchases:~~

~~(i) Less than three thousand dollars ($3,000.00); or~~

~~(ii) Financed in whole or in part by contributions, grants, or loans from any agency of the State of Ohio or the United States of America;~~

~~(iii) For the items set forth in C.O. §§ 138.06(B)(3)—(5) and 138.06(E).~~

~~(C) If the lowest and best bid or purchase price is received from a non-local business, a local business may be awarded the bid or contract if:~~

~~(i) It submits an affidavit verifying it meets the definition of local business under C.O. § 138.01;~~

~~(ii) Its bid or purchase price was within two percent (2%) of the bid or purchase price of the non-local business; and~~

~~(iii) It agrees to reduce its bid or purchase price to match the bid or purchase price of the non-local business.~~

~~(D) The local preference credit is one of the factors to be considered in determining the lowest and best bid or in making purchases and does not guarantee that the local business will be awarded the contract or purchase.~~

~~(E) The city shall indicate in all its invitations to bid, its requests for proposals, requests for qualifications, and its solicitations for contracts for or purchases of supplies, materials, equipment, public improvements, and services that it shall apply a local preference credit in accordance with this section.~~

~~(Ord. No. 55-2011)~~