



*CITY OF GRAND RAPIDS*

# **ADMINISTRATIVE POLICY**

NUMBER: 73-09	DATE: July 6, 1973
REVISIONS: 11/9/87; 8/13/01; 5/16/03; 3/12/07; 3/9/10	
ISSUED BY: City Manager	SIGNED: <i>Gregory A. Sundstrom</i>

**SUBJECT: PROFESSIONAL SERVICES CONTRACTING**

**PURPOSE:** In support of the City of Grand Rapids Mission Statement and the City Commission's Sustainability Plan, the purpose of this Policy is: to secure professional services acceptable to the City as competitively as practicable, while ensuring that all professional service providers including minority, women and non minority/women business enterprises have the maximum feasible opportunity to provide professional services to the City as direct service providers or in a business relationship (e.g., subcontractor or joint venture) with direct service providers. Each employee of the City shall use all reasonable good faith efforts to ensure the inclusion of a diverse pool of service providers from which professionals providing services to the City are solicited and chosen and to increase the dollar volume and number of contracts between such professionals and the City.

**POLICY:**

It is the policy of the City of Grand Rapids that no person, firm or corporation shall discriminate on the basis of race, color, creed, national origin or gender in the procurement of any contract with the City for Professional Services.

Professional services include, but are not limited to; architectural, engineering, management, employee development, audit and accounting, planning, legal, research, training, actuarial and educational services including those professional services covered by Administrative Policy 86-02 (Construction Bids and Related Professional Services) or any successor policy relating to such services.

Professional Services are differentiated from Commodity Services by including in the solicitation and using for contract award evaluation, criteria beyond price and references. Examples of such criteria would be: qualification and technical experience of the individual or firm in performing work of a similar nature; qualifications of firm staff to be assigned to the City project, including an expressed willingness to grant the City the right to concur with changes in personnel; a demonstrated understanding of the project requirement and potential problem areas; and, project approval, work plan and quality assurance program.

The Purchasing Agent shall determine the applicability of this policy, relative to a particular procurement.

### **REQUIREMENTS:**

When procuring Professional Services, responsible staff must comply with the following requirements:

1. Approval Limit

The City Manager, Deputy City Manager, Managing Directors, City Attorney and Purchasing Agent may approve professional services contracts for amounts up to \$10,000. Department Directors may approve professional services contracts up to \$5,000. Accountability rests on the person approving the contract. Contracts in excess of \$10,000 shall be approved by the City Commission.

2. Competition

In every instance where a department intends to use professional services, the department shall assume responsibility for ensuring that appropriate professional service providers, including minority, women, and non minority/women business enterprises, are given maximum feasible opportunity to compete for contract or acquisition opportunities, unless the qualifications or expertise of the service provided are: only available from a sole source (strictly construed); unique or exceptional; and, not amenable to competition. Such efforts shall be documented in those instances where there is a contract of \$500 or more. The Purchasing Agent shall be responsible to prescribe, and Department Directors shall be responsible to comply with procedures that assure the City has a complete inventory of all professional service contracts at all times.

3. Solicitation

A written statement of requirements (Request for Proposal (RFP) or other appropriate similar document) shall be sent to a sufficient number of qualified minority, women, and non-minority professional service providers as will assure that the City will receive competitive submissions and obtain the best value. Best value shall be determined by compliance with the criteria established by the City

in its statement of requirements and the providing of services at a reasonable price.

Reasonable price may be ascertained by sending a statement of requirements to three or more qualified potential service providers and by comparing a quoted price to one or more of the following:

- Comparison to previous contracts
- Comparison to peer institution's contract price
- Comparison to similar contracts
- Knowledge of the service market

The individual approving the contract shall document the competitive process used and make a finding that the price contained in a contract entered into pursuant to this policy is a reasonable price. Such documentation shall be retained for three years after the services are completed.

Where appropriate, the statement of requirements shall give notice that the City of Grand Rapids requires professional service providers to use their best efforts to subcontract, joint venture or otherwise enter into business arrangements with Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs) Non-Minority/Women Business Enterprises (Non MWBEs) and Micro-Local Businesses (Micro-LBEs). The statement of requirements should, at a minimum, include:

- Scope, goals, and objectives of the work or project
- Where appropriate, familiarity with the City and/or its structure and operations
- How responses are to be submitted
- Contents of an acceptable response
- A reservation by the City of the right to accept or reject any submission as the City deems in its own best interests
- Statement of evaluation criteria

Proposals shall be received from interested professional service providers detailing and documenting qualifications, competence, total costs, services included, availability, period of performance, clear scope of work, and where appropriate, their utilization of MBE, WBE, Non-MWBE and Micro-LBE subcontract participation. Department Directors and all City staff having management responsibilities with respect to the acquisition of professional services are responsible for, and will be evaluated on the basis of their efforts to utilize MBEs, WBEs, Non MWBEs, and Micro-LBEs on professional service contracts.

#### 4. Selection

Proposals shall be reviewed and evaluated and a professional service provider selected based on the criteria above. The basis for selection of a contractor according to the criteria in the written statement of requirements, and assurances of reasonable price, must be documented. This documentation shall specify the

reasons why this provider was selected, along with the criteria used in making the decision. Such documentation shall be retained for three years after the services are completed.

5. Contract

Each professional services contract shall be drafted, executed, approved, and filed according to the applicable City Charter, City Code provisions and all policies and procedures. Compliance with applicable standards shall be documented by a checklist/routing form attached to the contract. All contracts are to be in a form approved by the City Attorney. A fully executed copy of each contract in excess of \$500 shall be filed with the City Clerk, the City Attorney, Purchasing Agent, and the City Comptroller.

6. Subcontracting

Each employee responsible for the solicitation for, and acquisition of, professional services shall determine the need for such services and, where possible, structure the solicitation or request for proposals or services so as to eliminate acquisition monopolies. Acquisition monopolies, as used in this Policy, shall mean a solicitation or request for services that only one provider or an artificially small number of providers can meet. Likewise, employees seeking professional services for the City's benefit shall not artificially divide what should be a single solicitation so as to create one or more smaller acquisitions to avoid the approval requirements of this Policy.

7. Forecasting

During the annual budget preparation process, the budget instructions shall require top management to forecast, document and include with the budget submittals (to the extent practical) professional service needs for the upcoming fiscal year. Department Directors or heads of offices not in departments shall be responsible for all professional service needs forecasts within their department or office and this forecast shall be reviewed and approved by the City Manager, Deputy City Manager, Managing Director, whomever is appropriate. Information copies of all professional needs forecasts shall be provided to the Diversity and Inclusion Office. Proposed budgets will not be included in the Preliminary Fiscal Plan unless a forecast has been submitted to the Diversity and Inclusion Office. The Diversity and Inclusion Office shall develop a list or data base of potential professional service providers for solicitation in conjunction with each department or office.

**ASSISTANCE:**

Assistance in complying with the terms of this Policy may be sought from the Purchasing Agent or the Diversity and Inclusion Office.

**WAIVER:**

The City Manager may waive the provisions of this Policy when, in the City Manager's judgment, it is in the best interest of the City to do so. The City Attorney may waive the provisions of this Policy for legal services and/or professional expert witness or consultant services only in conjunction with specific matters of pending litigation when, in the determination of the City Attorney, compliance with the Policy under such circumstances would be detrimental to the legal interests of the City in such litigation. A waiver shall be documented in writing and filed with the Managing Director Administrative Services Group.