



FINANCIAL SERVICES
DEPARTMENT

Parks Board Presentation 10/24/2022



Solicitation Estimated Timeline (Business Days)



PROCUREMENT Method	IFB No Goals	IFB Goals	RFP No Goals	RFP Goals	RFQS No Goals	RFQS Goals
Pre-Solicitation Total	30	30	40	40	40	40
Source Selection Total	40	45	80	90	95	105
Combined Total	70	75	120	130	135	145
Post-Solicitation Total	50	50	50	50	50	50
PROCUREMENT PHASE =Pre-Solicitation +Source Selection + Post Solicitation	120	125	170	180	185	195

FSD Central Purchasing Contract Management Responsibilities

- Amend contract for changes:
 - Vendor names Changes
 - Extension/Renewals of the contract
 - Increases to contract spending
 - Adding departments to existing contracts for shared use
 - Price Changes, when permissible
- Contract terminations
 - Communications to the contractor

Revenue Contracts vs Expenditure Contracts

Revenue contracts are processed in same manner as expenditure contracts. Differences include but are not limited to:

- Verbiage used in solicitation changes to “revenue” rather than “an amount not to exceed”.
- Revenue is determined by the estimated amount the City will receive as a result of the contract verses the estimated amount the City will spend using the contract.
- The vendor with the highest priced revenue verses the lowest cost expense is used as an evaluation criteria for selecting a contractor.

Parameters for Writing Revenue Generating Contracts

- To establish a contract, the Net Contract amount should exceed a revenue of \$5000
- Revenue deposits to the City must coincide with ordinances established by the various City, state and federal agencies
- The Net Contract amount is not an expense to the City

How does alcohol sale/CUP impact the writing of a revenue generating contract?

- The City would want to have the Conditional Use Permit (CUP) in place before soliciting for such a contract. If the CUP is not granted, alcohol sales cannot occur on that site and the solicitation should be reflective of this restriction. This is because alcohol sales provide high profit margins and can be a central focus of how a vendor plans profit.

Contract Execution Authority

- Central Procurement Office is responsible for Contracts executed by the City in excess of \$5,000.00 and has final oversight of the contract.
- Department Directors and their designees have delegated Authority to execute contracts under \$5000.
- Some departments have delegated Authority to execute contracts of a specific type. (per Admin Bulletin 84/07, 03-01)