



City of Milwaukie – Equity in Public Procurement

Scope: Applies to all contracting, purchasing and disposing of personal property by the City of Milwaukie but does not apply to the acquisition, sale or other transfer of real property.

Purpose: To ensure equity and fairness in the contracting and purchasing activities administered by the city. Historically, small businesses, including women and minority-owned businesses, have not received the contract opportunities that larger firms have received. Small businesses make up a large part of the Portland metropolitan business community, provide local jobs and are a vital part of the regional economy. A level playing field is necessary to ensure all businesses receive an equal opportunity to earn city contracts and purchases, including minority-owned, women-owned, service-disabled veteran-owned and emerging small businesses.

The city expresses its strong commitment to provide contracting and purchasing opportunities to disadvantaged businesses and has adopted specific requirements in its Public Contracting Rules to advance equity in public contracting and purchasing, promote economic growth of state-certified businesses, and provide additional competition for city contracts.

Definitions: Listed below are key definitions used within this document.

COBID is the State of Oregon's Certification Office for Business Inclusion and Diversity, created within the Oregon Business Development Department or such state agency, department or entity to which has been delegated the responsibility to certify minority-owned businesses, women-owned businesses, businesses that service-disabled veterans own and emerging small businesses.

COBID Certification Directory is the online directory that lists businesses certified by the Oregon Certification Office for Business Inclusion and Diversity. Businesses that appear in the directory are currently certified and approved to be utilized. Businesses that are noted as suspended cannot be utilized in new contracts or purchases until the suspension is removed.

COBID-certified business is a business that has been historically underutilized, including minority-owned, women-owned, and service-disabled veteran-owned business enterprises and emerging small businesses interested in contracting with state, county and city government agencies, and has been certified through COBID.

Department is a city department or any unit or staff within a city department that has responsibilities for procuring public contracts or making public purchases.

Emerging Small Business is an independent business that has a principal place of business located in Oregon, qualifies as a tier one firm or a tier two firm, is properly licensed and legally registered to perform business in Oregon, and is not a subsidiary or parent company that belongs to a group of firms that the same individuals own or control if, in the aggregate, the group of firms does not qualify as a tier one firm or a tier two firm. As defined in [ORS 200.005\(5\)](#).

Minority-owned business, woman-owned business, or business that a service-disabled veteran owns is a small business where at least 51 percent of which one or more minority individuals, women or service-disabled veterans own and control, or where at least 51 percent of the stock of which, if the small business concern is a corporation, is owned by one or more minority individuals, women or service-disabled veterans who also control and manage the daily business operations of the small business. As defined in [ORS 200.005\(7\)](#).

Public Contracting Rules (PCR) are the adopted rules of Milwaukie City Council, acting as the Local Contract Review Board, for the contracting, purchasing and disposal of all personal property.

Activities: City will engage in the following activities with the goal of increasing city business with COBID-certified businesses:

1. **Outreach.** Engage in additional outreach procedures, including electronic notices of solicitations, open houses, workshops, participation in local and regional outreach opportunities, and foster an open-door practice that welcomes both COBID-certified and COBID-eligible businesses in doing business with the city. *This activity is the responsibility of all city departments.*
2. **Technical Assistance.** Provide technical assistance and information to businesses on feasible options for bonding, insurance, certification, and the city's procurement processes to provide for an efficient and positive interaction. *This activity is the responsibility of all city departments.*
3. **Package Contracting Opportunities.** Examine alternatives for arranging projects by type of work to make it attractive to COBID-businesses where the city, in its sole discretion, determines it is feasible. Consider packaging contract opportunities that will enhance the possibility of participation by COBID-certified businesses, such as dividing smaller project tasks into separate contracts or following an alternative procurement method for public improvements (e.g., construction manager/general contractor or design-bid). *This activity is the responsibility of all city departments.*
4. **Internal Education.** Provide periodic training and continuing education to Departments to ensure awareness of the PCR objectives and desired activities. Encourage all Departments to consider the use of COBID-certified businesses when possible and provide necessary tools to complete these goals (e.g., state resources, departmental meetings, ongoing procurement training). *This activity is the responsibility of the finance department.*
5. **Contract Requirements.** Consider modifying insurance, bonding requirements, and applicable taxes to maximize competition. *This activity is the responsibility of the finance department.*
6. **Reporting.** Issue an annual report (after the close of each fiscal year) to the finance director and city manager that includes the following:
 - A. Total dollars spent on contracted goods and services and percentage awarded to COBID-certified businesses.
 - B. Total dollars spent on construction-related services and percentage awarded to COBID-certified businesses.
 - C. Highlight successes and accomplishments by the city on contract or project-specific basis (e.g., projects with strong COBID-certified business participation).

- D. Summary of outreach and training activities performed by Departments, including internal education, open houses and outreach events that involve COBID-certified businesses.
- E. Recommendations that may enhance the procurement requirements and increase opportunities to COBID-certified and COBID-eligible businesses.

This activity is the responsibility of the finance department.

Procedures: City will promote the use of COBID-certified businesses for contracts and purchases to the maximum extent practical.

1. **Small Procurements and Direct Appointments.** Departments are strongly encouraged to review the COBID Certification Directory for eligible businesses or to contact known certified businesses in the category of work being solicited before awarding the contract or making the purchase.
2. **Intermediate Procurements.** Departments are strongly encouraged to review the COBID Certification Directory for eligible businesses and include known certified businesses in the distribution list for the category of work being solicited. If, upon review of the COBID Certification Directory, there are no such businesses qualified in the category of work being solicited then the Department will retain such information and documentation in the procurement file.

The Department may, at any time, elect to apply scoring criteria for COBID-certified businesses in an intermediate procurement solicitation.

3. **Formal Procurements.** Departments are required to include, at minimum, the following equity components in all formal procurements, including public improvements procured through alternative contracting methods as described in PCR 10.105 to 10.110.
 - A. Apply at least 20% of the total available scoring points to responsive COBID-certified businesses.
 - B. Include a statement signifying the city's intent to provide maximum opportunities to COBID-certified businesses. For example:

“The City is committed to ensuring equity and fairness in its contracting and purchasing process and increasing opportunities for minority-owned, women-owned and emerging small businesses (MWESB) and service-disabled veteran-owned business enterprises (SDVBE). Furthermore, the City strongly encourages proposers to utilize MWESB and SDVBE businesses when providing services and materials for city contracts and projects.”
 - C. Advertise solicitation at least once in at least one minority-focused publication or with a minority-focused organizational outlet, and in as many additional publications as the City may determine to be necessary or desirable to promote opportunities to compete for goods and services.

4. **Authority to Require Subcontracting with Service-Disabled Veteran-Owned or Emerging Small Businesses.** Departments may, in solicitation documents, require a contractor to subcontract some portion of the work to be performed or some portion of the materials be provided by a COBID-certified service-disabled veteran-owned business or emerging small business. Contractors will be required to submit monthly reports on their COBID-certified utilization on a contract or project-specific basis. The City may establish other requirements authorized by [ORS 279A.105](#).

5. **Excluded Procurements.** These requirements will not apply to emergency procurements, public improvements that are awarded to the lowest bid, or the purchase of goods and services otherwise exempt from a competitive process, unless otherwise stated in the PCRs. However, Departments are strongly encouraged to review the COBID Certification Directory for COBID-certified businesses or contact known certified businesses in the category of work being solicited for an emergency contract or purchase. A good faith attempt should be made to locate a qualified COBID-certified business to provide a quote for the required goods or services, even if competition is not required.

6. **Required Certification During Contract Term.** Any contractor awarded a contract, or a subcontractor to which the contractor awarded a subcontract in connection with the contract, in whole or in part, on the basis of COBID-certification, is required to remain COBID-certified for the entire term of the contract or subcontract.

If it is determined at any time during the term of a contract that a contractor or applicable subcontractor is no longer COBID-certified, the Department may terminate the contract, require the contractor to terminate the subcontract, or exercise any of the remedies for breach of contract that are reserved in the contract terms.

7. **Scoring.** For all applicable procurements, at least 20% of the total available scoring points will be based on COBID-certification of the bidder/proposer. Businesses that are COBID-certified at the time of bid/proposal submission will receive full points for that criterion. Businesses that are not COBID-certified at the time of submission will not receive any points for that criterion.

Resources: Links to related policies, procedures or information.

Oregon COBID:

<https://www.oregon.gov/biz/programs/COBID/Pages/default.aspx>

COBID Certification Directory:

<https://oregon4biz.diversitysoftware.com/FrontEnd/SearchCertifiedDirectory.asp?XID=2315&TN=oregon4biz>

City's Public Contracting Rules:

https://www.milwaukieoregon.gov/sites/default/files/fileattachments/finance/page/38291/city_of_milwaukie_public_contracting_rules_2023.pdf

Contacts: Please direct any questions regarding equity requirements or the PCRs to the accounting & contracts specialist at finance@milwaukieoregon.gov.