From: Schneider, Melody (SAO)
To: Nora Mitchell
Cc: Strzalka, Amy (SAO); Sheila Danielson
Subject: RE: Procurement Policy
Date: Tuesday, July 3, 2018 8:58:38 AM

Hi Nora,

Thank you for the policy. We don't see it as being an issue. As you pointed out the transaction is not considered a public work, and it also does not fall into purchases or professional services which all require appropriate procurement procedures under state law. Since there is no state law that covers this type of transaction, we then refer to the City's policy to see if there are any provisions that the City should have adhered to. Since the policy contains no provisions for this type of transaction and no state law that it falls under, it would be considered an appropriate transaction.

I hope that helps.

Thank you,

Melody Schneider
Assistant State Auditor
600 Kitsap Street Suite 201
Port Orchard WA 98366
360-895-6133

From: Nora Mitchell <NMitchell@cityofpt.us>
Sent: Monday, July 2, 2018 3:10 PM
To: Schneider, Melody (SAO) <schneiderm@sao.wa.gov>
Cc: Strzalka, Amy (SAO) <strzalkaa@sao.wa.gov>; Sheila Danielson <SDanielson@cityofpt.us>
Subject: RE: Procurement Policy

Melody

Find attached the procurement policy. We do not think this applies to the procurement policy as it is not a "public work" but instead we are loaning money to an entity to allow them to undertake the work. We had quite a bit of discussion on this with our former city attorney.

I am attaching the policies for your information but if you still have questions as to whether the policies should have covered this type of transaction, let me know and we can set up a call with our interim attorney John Watts. Hopefully not as I don't want to incur any additional legal cost unless your team has concerns.

Thanks.

Nora Mitchell | Director, Finance & Administrative Services
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From: Schneider, Melody (SAO) [mailto:schneiderm@sao.wa.gov]
Sent: Monday, July 2, 2018 2:49 PM
To: Nora Mitchell <NMitchell@cityofpt.us>; Sheila Danielson <SDanielson@cityofpt.us>
Cc: Strzalka, Amy (SAO) <strzalkaa@sao.wa.gov>
Subject: RE: Procurement Policy

Hi Nora,

Thank you for the information and for pointing out that resolution 11-012 had not been authorized. We would still like to review the policy so that we can indicate the policy does not have provisions that apply to this type of transaction.

Thank you,

Melody Schneider
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From: Nora Mitchell <NMitchell@cityofpt.us>
Sent: Friday, June 29, 2018 3:43 PM
To: Schneider, Melody (SAO) <schneiderm@sao.wa.gov>; Sheila Danielson <SDanielson@cityofpt.us>
Cc: Strzalka, Amy (SAO) <strzalkaa@sao.wa.gov>
Subject: RE: Procurement Policy

In another review of our resolution directory (see city website) 11-012 did NOT get authorized. The discussion was tabled and revisited on June 20th. Attached is the authorized resolution 11-018. See authorized actions #3 and #5. The Council did not adopt the resolution directing the City Manager obtain an RFP/RFQ but instead providers must be able to provide assurance to City Council, City Manager and City Attorney that the provider's project is viable.

Also, I don't think the purchasing policies would cover this transaction as there is no procurement (in terms of $); just selection of provider.

Does this resolve?

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From: Schneider, Melody (SAO) [mailto:schneiderm@sao.wa.gov]
Sent: Friday, June 29, 2018 2:36 PM
To: Nora Mitchell <NMitchell@cityofpt.us>; Sheila Danielson <SDanielson@cityofpt.us>
Subject: RE: Procurement Policy

Yes, that is the question we are looking into. Also, along those lines, when we were still onsite, I had pointed out in Resolution 11-012 that the Council had authorized the City Manager to send out a RFP/RFQ for the low income affordable housing proposals. You had mentioned you were going to follow-up to see if that had occurred. I'm just wondering if you had a chance to look into that yet?

Thank you,

Melody Schneider
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From: Nora Mitchell <NMitchell@cityofpt.us>
Sent: Friday, June 29, 2018 1:31 PM
To: Schneider, Melody (SAO) <schneiderm@sao.wa.gov>; Sheila Danielson <SDanielson@cityofpt.us>
Subject: RE: Procurement Policy

Hope you had a great time. Sheila will be back Monday and we will dig this out. However, trying to figure out which aspect of Homeward Bound transactions would follow under procurement so I can make sure we are addressing the correct question. Does this go back to the council member question on selection of Homeward Bound to surplus the property to? If so, I don't think the procurement policy covers that aspect.

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From: Schneider, Melody (SAO) [mailto:schneiderm@sao.wa.gov]
Sent: Friday, June 29, 2018 10:35 AM

To: Nora Mitchell <NMitchell@cityofpt.us>; Sheila Danielson <SDanielson@cityofpt.us>
Subject: Procurement Policy

Hi Nora and Sheila,

I am back from vacation and still working on the Homeward Bound questions from the Council member. I was hoping you could send me the City's procurement policy that indicates competitive procurement requirements.

Thank you,

Melody Schneider
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