

PRIVATIZATION/COMPETITION POLICY

Approved October 25, 1993

SERVICES CONTRACTING

Policy Statement for Services Contracting

The City Council will evaluate whether an individual City service should be considered a "public" or "private" service. If the Council determines that a service is a public service (involving a Citywide standard of service, determined and administered by the City and paid for by a tax or governmental levy) the following policy shall apply:

In evaluating the most efficient and effective way to provide public services, the City shall use a competitive process in which private service providers are encouraged to compete with City departments for the opportunity to provide such services, and in which the option of delivering services through public employees and departments must be justified through the competitive bidding process. The City shall encourage the provision of public services through contracts with private service providers, wherever this offers the lowest cost, most effective method of service delivery consistent with service level standards and other adopted City policies.

Goals for Services Contracting

1. The City Council wishes to provide the highest quality services at the lowest cost, whether provided by City forces or by the private sector.
2. Current contracts for services will be reviewed to ensure that existing private service providers are being held accountable and are providing effective and efficient services as specified by individual contracts. This review may result in placing a service out for competitive bidding again, with the City also submitting a bid for doing the work.
3. The City Council will systematically assess current City services to determine the appropriate level of service to be provided, whether by City forces or by contract with the private sector.
4. The City Council will assess the relationship of a service being considered for competition with other Council priorities and policies. Council will use this assessment to determine whether the services will be subject to competitive bid and in what amount, and to determine any special provisions which may need to be included in specifications to address other Council priorities and policies.

5. Efforts should be made to minimize the impact on current City employees affected by competition. Each competition recommendation should include an assessment of the effect on employees and recommendations for handling any negative impact.
6. The City Council will make an assessment of how to best provide a "level playing field" for the City and all potential private service providers. This assessment will include defining the public values of City services and how those values will be addressed in the bid process and specifications.

ASSET MANAGEMENT

Policy Statement for Asset Management

In seeking to maximize the City's return from its current and future asset portfolio, the City will aggressively manage these assets. Maximizing the City's return will include pursuing alternative ownership/management strategies which optimize the benefits of private ownership (tax revenue streams, and eliminating public costs associated with ownership) while meeting the City's public policy objectives.

Goals for Asset Management

1. The City will evaluate various levels of asset privatization for all new capital projects as it plans, builds, or acquires additional public facilities and assets.
2. The City will manage and maximize its existing portfolio of assets by (in order of priority):
 - Selling or donating non-buildable parcels (land that is too small to meet the minimum building code requirements for the zoning on that parcel)
 - "Packaging" and marketing existing property for sale
 - "Packaging" existing property for current or future "public purpose" use
 - Reviewing alternative ownership/management options
3. The City Council will balance the benefits of the sale of any of its assets with other Council policies and goals.