



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: 9/12/18

Department: Community Services Agenda Planning Date: 9/6/18 Time required: 5

Audio/Visual aids

Contact: Tamra Goettsch Phone: 503-589-3200

Department Head Signature: [Signature]

TITLE: Special Procurement Exemption for Board Designated Allocations

Issue, Description & Background: Per ORS Chapter 461, 2.5 percent of net receipts from video lottery proceeds are appropriated to Oregon counties for economic development. Each county decides how to distribute these funds to create jobs and further economic development. Marion County plans to implement a formal economic development strategy with the goal of advancing Marion County's economy by working with policymakers, community leaders, and entrepreneurs to grow the economy, increase employment and improve the standard of living. In FY 2018-19, Marion County approved a budget of over \$4.3 million in Oregon Video Lottery to support the economic development efforts in Marion County. The Board of Commissioners approved an annual allocation of \$445,000 in lottery funds for Board Designated Allocations (BDA) as a means to support regional economic development entities that promote, expand, or prevent the decline of manufacturing, agriculture, tourism, and small business in Marion County.

Financial Impacts: If approved, the contracts will obligate up to \$2.3 million in Oregon Video Lottery revenue to support economic development entities in implementing an Economic Development Strategy in Marion County.

Impacts to Department & External Agencies: No impact to departments. Revenues obligated for FY19 are included in the approved FY18-19 budget

Options for Consideration: 1. Approve the Special Procurement Exemption to contract with established regional economic development entities that promote, expand, or prevent the decline of manufacturing, agriculture, tourism, and small businesses in Marion County. 2. Do not approve the Special Procurement Exemption to contract with established regional economic development entities that promote, expand, or prevent the decline of manufacturing, agriculture, tourism, and small businesses in Marion County. 3. Approve the Special Procurement Exemption to contract with established regional economic development entities that promote, expand, or prevent the decline of manufacturing, agriculture, tourism, and small businesses in Marion County, with revisions.

Recommendation: 1. Approve the Special Procurement Exemption to contract with established regional economic development entities that promote, expand, or prevent the decline of manufacturing, agriculture, tourism, and small businesses in Marion County.

List of attachments: 1. Board Order 2. Findings for Exemption

Presenter: Tamra Goettsch and Camber Schlag



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Copies of completed paperwork sent to the following: (Include names and e-mail addresses.)

Copies to:

Krista Ulm kulm@co.marion.or.us

EXHIBIT A

MARION COUNTY FINDINGS FOR EXEMPTION FROM CONTRACT REVIEW BOARD RULES FOR BOARD DESIGNATED LOTTERY GRANTS

Marion County Community Services Department is requesting an exemption to allow the use of Special Procurement for a contract for services to provide support to economic development entities that promote, expand, or prevent the decline of (a) manufacturing, (b) agriculture, (c) tourism, and (d) small business. Board Designated Allocations provide general operating support to entities with regional impact on key economic development priorities identified by the County.

Background

Per ORS Chapter 461, 2.5 percent of net receipts from video lottery proceeds are appropriated to Oregon counties for economic development. Each county decides how to distribute these funds to create jobs and further economic development.

Marion County implemented a formal Economic Development Strategy which was recently adopted by the Board of Commissioners with the goal of advancing Marion County's economy by working with policymakers, community leaders, and entrepreneurs to grow the economy, increase employment and improve the standard of living. The County recognizes the importance of partnering with stakeholders to accomplish all necessary actions to achieve its goals.

In FY 2018-19, Marion County Community Services Department budgeted over \$4.3 million in Oregon Video Lottery to support the economic development efforts in Marion County. The Board of Commissioners approved an annual allocation of \$445,000 in lottery funds for Board Designated Allocations (BDA) as a means to support regional economic development entities that promote, expand, or prevent the decline of manufacturing, agriculture, tourism, and small business in Marion County.

The Community Services Department contract with Board Designated Allocations (BDA) contractors expired 6/30/2018 and the Community Services Department wishes to continue contracting with these contractors from July 1, 2018 through 6/30/2023. Funding for the BDA is through the Economic Development Programs Lottery funds.

Findings

- Board Designated Allocations (BDA) of Lottery dollars, which are used to further economic development in Marion County began in 2009;
- There is currently \$445,000 allocated to BDA in the FY 2018-19 adopted budget;
- These funds have been approved within the Community Services Department budget for disbursement beginning July 1, 2018; and
- Contracting with established economic development partners saves county time and money by utilizing existing available resources and regional expertise.

EXHIBIT A

- It is unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts, and likely to result in substantial cost savings to the public contracting agency; or otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the requirements of other competitive processes;

Recommendation

Marion County has adopted an Economic Development Strategy. This strategy recognizes the importance of partnering with established stakeholders to accomplish and achieve the goals of the plan. There are organizations within Marion County that have the qualifications to meet the needs of the County.

- (1) SEDCOR's mission includes job creation, and efforts to recruit, train and expanded traded sector companies within Marion County.
- (2) Travel Salem promotes regional tourism and partners with SEDCOR to drive tourism initiatives, economic development and countywide efforts.
- (3) North Santiam Economic Development Corporation supports microenterprise and business development activities in the Santiam Canyon region.
- (4) Oregon Garden Foundation (OGF) is the only botanical garden in Marion County that promotes tourism. The OGF funds the operations and capital improvement projects for the Oregon Garden.

Community Services Department requests that the County consider approval of this Class Special Procurement to secure services for implementation of the Marion County Economic Development Strategy in the amount of \$2,225,000.00 over five years, and that Community Services Department be permitted to issue contract(s) to Travel Salem, SEDCOR, GROW EDC, and Oregon Garden Foundation.

Attachments

None

BEFORE THE BOARD OF COMMISSIONERS
FOR MARION COUNTY, OREGON

In the matter of granting a Class Special)
Procurement exemption to award multiple)
contracts to provide General Operating)
Support to Economic Development Entities)
with Regional Impact pursuant to the)
Marion County Public Rules)

ORDER NO. _____

This matter came before the Marion County Board of Commissioners, acting as the Marion County Contract Review Board (Board), on at its regularly scheduled public meeting on Wednesday, September 12, 2018.

WHEREAS, the board finds that Marion County Community Services Department (MCCSD) seeks an exemption from Marion County Public Contracting Rules, pursuant to Section 20-285, which provides for the use of alternative contracting methods as may be directed by the Board of Commissioners under ORS 279B.085; and

WHEREAS, Section 20-285 allows the Board to direct the use of alternative contracting methods as an exception to the prescribed public contracting practices in Oregon and its use must be justified in accordance with public contracting code and Marion County Public Contracting Rules; and

WHEREAS, ORS Chapter 461 authorizes the video lottery and appropriates 2.5 percent of the net receipts to Oregon counties for economic development; each county decides how to distribute these funds to create jobs and further economic development; and

WHEREAS, as demonstrated in the findings, attached as Exhibit A, contracting with established regional economic development entities SEDCOR, Oregon Garden Foundation, Travel Salem, and North Santiam Economic Development Corporation will advance Marion County's economic development strategy; and will not encourage favoritism or will not substantially diminish competition by delaying the decision for entering into contracts; and

IT IS HEREBY ORDERED that the Board adopts the findings attached hereto as Exhibit A and grants a Class Special Procurement exemption to allow the use of multiple contracts for services to further Economic Development Strategies from July 1, 2018 through June 30, 2023.

DATED this 12th day of September 2018.

MARION COUNTY BOARD OF COMMISSIONERS

Chair

Commissioner

Commissioner

Original: Community Services
cc: BOC
Finance Contracts

Attachments:
Exhibit A – Department Findings