



Legislative & Rules Committee – Board of Representatives

Eileen Heaphy, Chair

Committee Report

Date: Monday, June 16, 2014
Time: 7:00 p.m.
Place: Democratic Caucus Room, 4th Floor Government Center, 888 Washington Boulevard, Stamford, CT

The Legislative & Rules Committee met as indicated above. In attendance were Chair Heaphy and Committee Member Reps. Mitchell, Ryan and Silver. Absent or excused were Committee Member Reps. Day, Doyle, Okun and Zelinsky. Also present were Reps. Fedeli and Reeder; Beverly Aveni, Purchasing Agent; Jim Hricay, OPM; Burt Rosenberg, Law Department and Jonathan Gottlieb, Rippowam Corp.

Chair Heaphy called the meeting to order at 7:007 p.m.

Item No.	Description	Committee Action
1. LR29.018	ORDINANCE for publication; approving a tax abatement agreement between the City, 22 Clinton LLC and Housing Authority of the City of Stamford 05/15/14 – Submitted by Mayor Martin	NO ACTION TAKEN
2. LR29.019	ORDINANCE for publication; approving a tax abatement agreement between the City, 18 Quintard LLC and Housing Authority of the City of Stamford 05/15/14 – Submitted by Mayor Martin	NO ACTION TAKEN

¹Chair Heaphy noted that since there was no quorum, the Committee would not be taking action on these items. She explained that these ordinances are revisions to ordinances approved by the 28th Board in order to clarify that the Housing Authority d/b/a Charter Oak Communities (the “Authority”) would be retaining ownership of the land on which the two housing communities are built.

In response to questions from Committee members and members of the Board, Mr. Gottlieb explained that:

- These revisions were requested by the tax credit investors and the City
- The Housing Authority of the City of Stamford and Charter Oak Communities are the same entity and the agreements refer to “the Authority”

¹ Video Time Stamp 00:00:12

- The Ground Lease is for 98 years and the affordability obligation in the agreement is 30 years; however the affordability obligation under the financing requirements is 50 years
- Half of the units in each property will be for project-based Section 8 vouchers and very low income affordability and half will be affordable units for individuals with incomes below 60% of the adjusted median income; currently 100% of the units are Section 8 (50% project-based and 50% tenant-based)
- The change in occupancy to the affordable units will occur over time as current tenants in the tenant-based units leave the building.
- The tax credits are necessary in order to be able to keep the buildings in service.
- The tenancy in the building is not changing as a result of these agreements
- The requirement to keep the properties affordable is recorded on the land records
- The City receives 10% of the actual tenant rent payments less their share of the common area utilities under the Shelter Rent program; this amount is determined annually by an independent auditor

Rep. Mitchell asked that the draft ordinances be revised to clarify that the Housing Authority d/b/a Charter Oak Communities be referred to as “the Authority”.

There being no quorum, the Committee took no action on these items.

²3. LR29.022 REVIEW; Purchasing Ordinance (Code Chapter 23, Article II) **NO ACTION TAKEN**
06/04/14 – Submitted by Reps. Fedeli, Day, Coppola and Fountain

Representative Fedeli explained that she submitted this item because the Purchasing ordinance needs to be updated while keeping its intent and integrity.

Mr. Hricay explained that the ordinance has not been updated since 1999, other than the creation of a Contract Compliance officer position in 2001. The dollar thresholds are also from 1999.

Mr. Rosenberg and Ms. Aveni distributed the attached [handout](#), and reviewed the purchasing process. They explained that:

- The purchasing procedure is also governed by State law
- Sealed bids are not required for contracts under \$10,000
- Bids must be awarded to the lowest, responsible qualified bidder, which is a defined term in the ordinance; this is an objective standard
- Board of Representatives approval of bids would not make sense because
 - A bidder cannot withdraw a bid
 - The City may not reconsider an award

² Video Time Stamp 00:45:41

- There is case law which requires the City to award the contract to the lowest responsible bidder
- Failure to do this would probably subject the City to numerous lawsuits
- Adding a requirement that the Boards approve all contracts over \$100,000 would include approval of bid contracts
- No other municipality requires legislative approval of bid contracts
- RFPs are used for professional service contracts, which permit some discretion in the choice
- The City also uses State and Municipal Cooperative Association contracts as permitted under §23-18.5
 - Either the State or the Cooperative Association has already bid the contract
 - For contracts like road salt, the State has greater purchasing power than the City
 - The City would still review the contract to be sure it was bid competitively and there is no fee to the City and require the contract to follow purchasing requirements, including insurance requirements
 - Municipal Coops are formed based on purchasing power
 - Coops are also used when emergencies arise, where there would be no time to go through the bid process
 - This saves the City labor costs
- The Purchasing Department handles 125-150 bids and RFPS per year and approximately 400 State/Coop contracts per year
- The Purchasing Department provides the Board office with a quarterly contract report
- The City can issue Purchase Orders for services under \$25,000
- Contracts issued by RFP over \$100,000 require Board approval

Ms. Aveni noted that the CPI has increased by 51% since 1999. In keeping with this, and the current workflow, they recommend:

- Increasing the 3 quote limit to \$10,000
- Requiring competitive bids for contracts over \$10,000
- Issuing purchase orders for services under \$50,000
- Changing the bid waiver limit to \$100,000

These recommendations are in line with other municipalities such as New Haven and Waterbury.

Ms. Aveni stated that although bid contracts for major projects do not require Board approval, there would be a way to include Board notification in the process

Chair Heaphy stated that she would like to form a subcommittee to recommend changes to the Purchasing Ordinance based on the above information and other input.

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| 4. LR29.023 | REVIEW; Planning Board's latest triennial list of City-owned and City-leased properties (Code §9-4) | NO ACTION TAKEN |
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06/04/14 – Submitted by Reps. Reeder and Ryan

This item was not taken up.

Chair Heaphy adjourned the meeting at 8:50 p.m.

Respectfully submitted,
Eileen Heaphy, Chair

This meeting is on [video](#).