

## EXTENDING THE CITY ADMINISTRATOR'S DUTIES AND CHANGING CITY CONTRACTING

### The Way It is Now

**Ordinances Regulating Contracts:** The Board of Supervisors (Board) may adopt ordinances that set rules about how the City selects vendors and enters into contracts for the purchase of commodities and services, public works, and grantmaking (collectively, Procurement).

**Board Approval of Contracts:** With some exceptions, the City's Charter requires the Board to approve contracts for all City departments in three categories: (1) contracts that generate anticipated revenue of \$1,000,000 or more for the City, and any amendments to those contracts; (2) contracts that will last more than ten years or cost the City \$10,000,000 or more, and amendments to those contracts costing \$500,000 or more; and (3) real property leases for ten years or more or that generate \$1,000,000 or more, and amendments to those agreements.

**City Administrator's Authority Over Contracts and Technology:** Under the Charter, the City Administrator acquires commodities and services for City departments, except for the Municipal Transportation Agency (MTA), Public Utilities Commission (PUC), Airport Commission (Airport), Port Commission (Port), and some arts departments (Charitable Trust Departments), and as limited by other City laws. The City Administrator also has authority to dispose of City personal property.

The City Administrator also oversees and adopts policies regarding certain aspects of City technology by serving as chair of the Committee on Information Technology and by appointing and managing the City's Chief Information Officer.

**City Administrator's Term:** The City Administrator is appointed by the Mayor to a five-year term, subject to confirmation by the Board.

### The Proposal

**Ordinances Regulating Contracts:** The measure would give the City Administrator exclusive authority to propose ordinances to the Board governing most aspects of Procurement. Procurement ordinances proposed by the City Administrator would pass unless the Board or the Mayor rejects them within 60 days. The Board could not amend these ordinances.

**Board Approval of Contracts:** The measure would raise the threshold for Board approval of contracts and amendments to those contracts. For revenue-generating contracts and leases, the threshold would increase from \$1,000,000 to \$4,500,000. For expenditure contracts, the threshold would increase from \$10,000,000 to \$25,000,000. Beginning in 2032, the City's Controller would adjust these thresholds every five years for inflation. The Board would also approve amendments to contracts meeting these thresholds where the amendment would

result in a cumulative increase of 50% or more of the original contract or lease amount over the amount last approved by the Board.

**City Administrator's Authority Over Contracts and Technology:** The measure would authorize the City Administrator to adopt Procurement rules and regulations that supersede conflicting department rules, and to establish and implement citywide policy for use of technology.

The MTA, PUC, Airport, Port, and Charitable Trust Departments would be subject to the City Administrator's authority regarding Procurement ordinances and rules, direct acquisition of commodities and services, technology, and disposal of personal property, with some exceptions.

**City Administrator's Term:** The measure would extend the City Administrator's term from five years to ten years.