

**Office of the County Auditor**  
**Auditor's Analysis**

**Council Bill No. 34-2023**

Introduced: July 5, 2023

Auditor: Rebecca Gold

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Fiscal Impact:

We anticipate the passage of Council Bill 34-2023 could potentially result in future cost savings to the County from the competitive procurement of certain County contracts that otherwise would have been awarded using the sole-source method. This is based on the assumption that increased competition in a procurement process will achieve a lower market price. However, we are unable to quantify this potential savings, as we cannot predict the future procurement activities of the County that would be impacted by CB34-2023.

Based on information provided by the Administrator of the Office of Procurement and Contract Administration (Procurement), we do not anticipate any additional operating costs to be incurred by the County as a result of this legislation. The Administrator indicated the proposed legislation will not require any additional resources or staffing needs.

Purpose:

Council Bill 34-2023 amends Section 4.110 (Sole-source purchase) of the County Code. It proposes the following changes:

- The legislation prohibits the use of land ownership as a justification for the County awarding a sole-source contract (with exceptions for land owned by public utilities and railroad corporations).
- The legislation adds the requirement that certain sole-source contracts must be presented to the County Council for review and comment, prior to the contracts' approval by the County Purchasing Agent.

Other Comments:

Based on information provided by the Procurement Administrator, there have been an average of 62 sole source contracts approved annually with an average contract value of \$103,476 between FY 2018 and FY 2022.