



# CITY OF PHILADELPHIA

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REBECCA RHYNHART  
Chief Administrative Officer

April 12, 2016

The Honorable Darrell Clarke  
City Council President  
City Hall, Room 490  
Philadelphia, PA 19107

Dear Council President Clarke:

This letter is in response to questions raised at the April 29, 2016 hearing before the Committee of the Whole on the Fiscal Year 2017 proposed Operating budget and FY17-FY21 Five Year Financial and Strategic Plan. At this hearing, Councilwoman Quinones-Sanchez asked the following question:

**In preparation for the Capital plan testimony, can the Administration prepare a fact sheet on the legal and administrative impediments to the procurement problems that the City is encountering with getting Capital projects done?**

We hear Council's concerns regarding the capital project process and the time it takes for completion. As a city, we share the same concerns. We have set up a working group that is taking a deep dive into the process from start to finish across departments. This Working Group includes capital program stakeholders throughout the City (Law, OEO, Procurement, etc.) The Working Group is tasked with identifying opportunities for efficiencies throughout the capital procurement process. The working group has been able to document certain issues and identify recommended solutions. Some recommended solutions so far include: emphasis on strong project management and project managers; possible system modernization for project management to better track capital projects and project timeline; implementation of an e-Procurement system which is expected to be launched in FY17 to rely less on paper based processing; streamlining certain bid and contract processes; and standardization of contract opportunities/documents. There are also other solutions being evaluated that may require State or City legislation or process change across various departments.

Strategies that are currently being implemented by the Department of Public Property are:

- Increase utilization of the job ordering contracting
- Increase in consultant requirements contracts (architectural and engineering professional services) from 11 on-call contracts to 25 contracts
- Partner with Philadelphia Redevelopment Authority for various projects
- Focus on Project Controls and Quality Assurance Unit (PC/QA Unit), who are responsible for grants management, QA administration of contract documents, cost estimating, change order review, monitoring and tracking length of projects and scheduling
- Initiated project status and performance metrics meetings on a weekly basis

Strategies that are currently being implemented by Procurement Department are:

- Outreach to promote contracting with the City to expand competitive bids
- Better communication and project management techniques such as shared tracking documents, interdepartmental calendar and weekly reports
- Began electronic distribution of bid and contract documents

Our office is happy to update City Council on the progress of this Working group and look forward to a better more efficient capital projects process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rebecca Rhynhart', with a stylized, cursive script.

Rebecca Rhynhart

Chief Administrative Officer