

**RESOLUTION R-2015-141
LUZERNE COUNTY COUNCIL**

A Resolution by the Luzerne County Council adopting “Managed Competition” as a Policy to provide cost effective and efficient county services, which will be administered and effectuated by the County Executive Administration

WHEREAS, Luzerne County wishes to provide cost effective and efficient county services; and

WHEREAS, Managed competition is an “umbrella” term, which describes the practice of conveying competitive market principles to specific quantifiable services provided by the public sector. The purview of managed competition includes many unique approaches to introducing competitive market forces into the provision of public services. Not necessarily intended as a means to remove a service from public provision, managed competition often reflects the dynamic relationship between the public and private sector. Managed competition encourages a service to be provided at a competitive and cost effective rate, outperforming private sector counterparts. It encompasses multiple approaches and is beholden to no one paradigm. Managed competition is capable of being applied to a number of services. A successful managed competition program is characterized by the significant investment in time, staff, and resources utilized to design guidelines that will insure both quality and dependability.

WHEREAS, the term “managed competition” is often associated with “privatization”; however, the two concepts imply distinctly unique approaches to altering the relationship between government and the provision of services. Managed competition provides government the opportunity to test the market for improved service delivery and pricing options by allowing both public and private entities to compete; and

WHEREAS, managed competition theory does not assume private business can perform more efficiently at providing all services. By competing against the private sector to provide services, the public sector gains the opportunity to challenge well established rules, regulations, policies, practices, and organizational culture that creates the “way things have always been done”. Private providers often have a far greater degree of control regarding pay and benefit structures compared to public sector organizations. The nature of the private sector relationship with labor allows private organizations to be more flexible and respond to changing market conditions quickly. Competition fostered by managed competition is intended to provide the highest level of service at the lowest cost possible. Managed competition is the means to an end, a way to infuse market-based competition into a public service without promoting the wholesale transition of all public services to private providers.

NOW, THEREFORE, BE IT RESOLVED, the County Council adopts the policy of "Managed Competition" as above-mentioned, and mandates the County Executive Branch design and effectuate a procedure for the implementation of Managed Competition into the procurement process for County provided Services within one year of the adoption of this Resolution.

This resolution shall become effective upon adoption.

ADOPTED at a meeting of the Luzerne County Council held the 29th day of December, 2015.

ROLL CALL VOTE (7-1-2)

YES: Bobeck, Brominski, Haas, Sorokas, SA Urban, SJ Urban, and Williams

NO: Houck

ABSTAINED: McGinley and Morelli

LUZERNE COUNTY COUNCIL

Attest: 
Sharon Lawrence, Clerk of Council

By: 
Linda McClosky Houck, Chair

 12/31/15
Robert C. Lawton, County Manager