



PROCUREMENT DIVISION

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CONSENT AGENDA

DATE: July 17, 2019

TO: Mayor Jerry L. Demings
and the Board of County Commissioners

FROM: Carrie Mathes, Manager, Procurement Division
Contact: (407) 836-5664

RE: Consent Agenda Item for Board Meeting on August 6, 2019
Approval of Resolution of the Orange County Board of County Commissioners
Regarding Approval of an Increase to the Mandatory Bid Threshold

Section 17-309 of the Orange County Code provides that the procurement of all goods, materials, equipment, and services in excess of the mandatory bid amount shall be awarded through a formal competitive solicitation process. Formal competitive solicitations require significant business resources, coordination, analysis, and documentation; as a result, the formal competitive solicitation process is intended to be reserved for high-value and high-risk procurements. Section 17-287 requires the mandatory bid amount to be established as policy by the Board.

The Procurement Division surveyed the Federal Government, Manatee County, Miami-Dade County, Palm Beach County, Pinellas County, the City of Orlando, Broward County, and Hillsborough County and found that Orange County's current mandatory bid threshold is 73% lower than the average of those government agencies surveyed. Consideration to increase the mandatory bid threshold to \$150,000 is requested. This update will modernize the County's procurement program bringing it in line with similarly-sized and similarly-situated local governments.

This change does not modify the Board approval threshold. The Board will continue to approve all awards over \$100,000. Additionally, this change does not impact fair, open, and transparent competition. It merely shifts low-risk procurements to a competitive Request for Quotations process. This is more expeditious than the Formal Sealed Solicitation process.

As the County is transitioning to a more progressive organization, departments and divisions are engaged in new program development, service level augmentation, and deadline driven project management. Likewise, the Procurement Division is seeking to support the success of these initiatives by providing timely strategic support. Optimized procurement is in high demand. The proposed mandatory bid threshold increase establishes a balance between executing critical procurements and efficiently transacting day-to-day operational procurements.

Adoption of Resolution of the Orange County Board of County Commissioners
Regarding Approval of an Increase to the Mandatory Bid Threshold

This change is intended to achieve three key objectives:

1. Promote business friendly procurement processes to attract qualified businesses, including small, minority, and women owned businesses.
2. Expedite project delivery timelines; approximately 200 term contracts are projected to realize a 10-week reduction in lead time.
3. Align procurement resources to support strategic procurement planning and initiatives.

Additionally, to ensure the County's threshold remains responsive to economic conditions the resolution provides the procedure to ensure future adjustments are relative to the Consumer Price Index rate of inflation. Mandatory review and adjustment of the threshold is prescribed every five fiscal years.

ACTION REQUESTED: Approval and execution of Resolution of the Orange County Board of County Commissioners regarding increasing Orange County, Florida's Mandatory Bid Threshold.

Attachment

- c. Bryon Brooks, County Administrator
Randy Singh, Deputy County Administrator
Jeffrey J. Newton, County Attorney
Anne Kulikowski, Director, Administrative Services
Cristina T. Berrios, Assistant County Attorney