

BCC Mtg. Date: August 06, 2019

RESOLUTION
of the
ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS
regarding
**INCREASING ORANGE COUNTY, FLORIDA'S
MANDATORY BID THRESHOLD**

Resolution No. 2019-M-30

WHEREAS, the Orange County Board of County Commissioners (the "Board") adopted the Article III of Chapter 17 of the Orange County Code (the "Orange County Procurement Ordinance") with the purpose of placing Orange County's (the "County") purchasing function under a centralized system that would enable the County to:

- (1) Establish policies governing all purchases and contracts, encouraging and promoting fair and equal opportunity for all persons doing business with the County;
- (2) Obtain goods and services of satisfactory quality and quantity at reasonable costs for the County;
- (3) Permit the continued development of procurement policies and procedures of purchasing and contracts;
- (4) Foster effective broad-based competition within the free enterprise system; and
- (5) Provide safeguards for the maintenance of a procurement system of quality and integrity; and

WHEREAS, Section 17-309, Orange County Code, provides that the procurement of all goods, material, equipment, services, and combinations of goods and services made by, or on behalf of, the Board in an amount equal to, or in excess of, the mandatory bid amount shall be awarded through a formal competitive solicitation process; and

WHEREAS, Section 17-287, Orange County Code, states that the mandatory bid amount shall be established as policy by the Board; and

WHEREAS, the County's current mandatory bid amount is set at thirty-five thousand dollars (\$35,000) and has not been significantly changed since the adoption of the Orange County Procurement Ordinance in 1992; and

WHEREAS, because formal competitive solicitations require extensive business resources, coordination, analysis, and documentation, the formal competitive solicitation process is intended to be reserved for high-value and high-risk procurements; and

WHEREAS, informal competitive quote-based solicitations are intended to be reserved for low-value, low-risk, day-to-day operational procurements because such an informal procurement process: creates a simplified experience for the business community; utilizes moderate business and Orange County staff resources; and provides for expedited coordination, analysis, and documentation; and

WHEREAS, Orange County will be better able to attract qualified businesses, including small, minority, and women owned businesses, by providing a simplified, informal competitive quote-based process for low-value, low-risk, day-to-day procurements; and

WHEREAS, 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 the average of those eight (8) government's mandatory bid thresholds was just under one hundred and forty four thousand dollars (\$144,000) with the three (3) highest mandatory bid thresholds at two hundred and fifty thousand dollars (\$250,000) and the two (2) lowest at fifty thousand dollars (\$50,000);

WHEREAS, based on the Procurement Division's survey, Orange County's current mandatory bid threshold is seventy-three percent (73%) lower than the average of those government agencies surveyed; and

WHEREAS, the Board wishes to modernize the County's mandatory bid threshold by bringing it in line with those of similarly-sized and similarly-situated local governments; and

WHEREAS, the Board intends to ensure that the County's mandatory bid threshold remains in sync with the current economic climate by tying it to the Consumer Price Index (CPI) for urban consumers.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY:

Section 1. The above recitals are hereby incorporated and are to be considered binding.

Section 2. The Board hereby increases the mandatory bid threshold for Orange County to one hundred and fifty thousand dollars (\$150,000).

Section 3. The Board additionally:

- (1) Directs staff to review the mandatory bid threshold in the year 2025 and to adjust it for inflation based on the CPI for urban consumers, rounded to the nearest thousand; and

- (2) Authorizes staff to review and adjust the mandatory bid threshold for inflation based on the CPI for urban consumers, rounded to the nearest thousand, every five years thereafter.

Section 4. The effective date of this Resolution shall be October 1, 2019.

ADOPTED this ___ day of AUG 06 2019, 2019.



ORANGE COUNTY, FLORIDA

By: Orange County Board of County Commissioners

By: *Beynon Brooks*
for Jerry L. Demings
Orange County Mayor

ATTEST: Phil Diamond, CPA, County Comptroller
As Clerk of the Board of County Commissioners

BY: *Katie Smith*
Deputy Clerk