

Items # 45

ADDITIONAL MATERIAL

Regular Meeting

JANUARY 29, 2019

SUBMITTED AT THE REQUEST OF

**FINANCE and ADMINISTRATIVE
SERVICES DEPARTMENT**




Finance and Administrative Services Department
PURCHASING DIVISION
115 S. Andrews Avenue, Room 212 • Fort Lauderdale, Florida 33301 • 954-357-6066 • FAX 954-357-8535

MEMORANDUM

DATE: January 28, 2019

TO: Board of County Commissioners

THRU: Kevin B. Kelleher, Deputy CFO/Deputy Director
Finance and Administrative Services Department 

FROM: Brenda J. Billingsley, Director
Purchasing Division **BRENDA BILLINGSLEY** 

SUBJECT: January 29, 2019 – Commission Meeting – Agenda Item No. 45
Motion to Direct Office of the County Attorney to draft a Resolution amending Section 21.8 of the Broward County Administrative Code (Procurement Code) to increase the mandatory bid amount from \$50,000 to \$100,000

Digitally signed by KEVIN KELLEHER
Date: 2019.01.28 12:53:37 -0500'

Digitally signed by BRENDA BILLINGSLEY
DN: dc=cty, dc=broward, dc=bc, ou=Organization, ou=BCC, ou=PU, ou=Users, cn=BRENDA BILLINGSLEY
Date: 2019.01.28 11:14:41 -0500'

Attached is a summary chart of a survey that was conducted to determine dollar thresholds for various County agencies.

Increasing Broward County's Mandatory Bid Amount from \$50,000 to \$100,000 would improve the processing time for small dollar procurements. Currently, procurement values in excess of \$50,000 require a formal competitive procurement process which could take up to 90 - 120 days to process dependent upon the complexity of the procurement. Increasing the mandatory bid amount would eliminate the need for a formal process, and allow for more of an informal procurement process, which could potentially yield a reduction in procurement processing time by 60 - 75 days.

In the event that the Board approves the increase in the mandatory bid amount from \$50,000 to \$100,000, for the last calendar year, approximately 3,000 procurements fell within the recommended threshold increase and could have been handled through an informal procurement process.

This summary chart is being provided to the Board as additional information.

Attachment

BJB/Ig

- c: Bertha Henry, County Administrator
- Monica Cepero, Deputy County Administrator
- George Tablack, CPA, Chief Financial Officer
- Robert Melton, County Auditor
- Andrew Meyers, County Attorney

Public Entity Threshold Requirements Comparison

Public Entity	Quote Thresholds	Mandatory Bid Threshold	Mandatory Threshold for Board Approval
Miami-Dade County	Up to \$25,000 (County departments); Up to \$250K (Central Procurement)	>\$250K up to \$500K > \$500K up to \$1m	> \$1M
Palm Beach County	< \$100,000	> \$100,000	> \$200,000
Broward County	\$7,500	\$50,000 (currently under review)	\$500,000
Hillsborough County	\$5,000 through \$50,000	> \$50K	> \$250K
Pinellas County	<\$100K	>\$100K	>\$250K
Manatee County	>\$2,500 (several tiers)	> \$500K	>\$500K
Orange County	< \$35K	> \$35K	> \$100K
City of Orlando	< \$100K	>\$100K	>\$100K
City of Pompano Beach	<ul style="list-style-type: none"> • Threshold increased on 3/1/17 • Advertised bid amount (mandatory) is >\$75,000 • Three quotes = \$50,001 to \$75,000 • RFQ and Informal quote (three quotes minimum) = \$20,001 to \$50,000 • One quote minimum = Zero to \$20,000 • Source: Judy Rodriguez, Buyer 		
State of Florida	<ul style="list-style-type: none"> • State of Florida Mandatory Bid Amount is \$35,000 • \$2,500 - \$34,999 requires two quotes • Less than \$2,500 requires one quote • Source: Jesse Covell, Chief of Goods & Services Procurement 		
Federal Government	\$10K	\$250K	

Note: Response data compiled in December, 2015 reconfirmed in August, 2016 and January, 2019

Confirmed