

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20060216

1. ACTION REQUESTED/PURPOSE:

Approve in concept threshold changes as outlined in the "Background" below relating to Lee County's Purchasing Policy and Procedures and Lee County's Contract Management Policy and Procedures. Adopt authorizing resolution to change Administrative Codes AC-4-1 and AC-4-4 accordingly. Additionally, authorize the County Manager to develop the guidelines for implementing these changes and administratively approve procedural changes to the Purchasing and the Contracts manuals as necessary.

2. WHAT ACTION ACCOMPLISHES:

Provides a mechanism to facilitate procurement activities while still retaining safeguards (oversight) in the process and authorization thresholds.

3. MANAGEMENT RECOMMENDATION: Approve changes outlined below.

4. Departmental Category: / A I A **5. Meeting Date:** 03-14-2006

6. Agenda: <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Administrative <input type="checkbox"/> Appeals <input type="checkbox"/> Public <input type="checkbox"/> Walk-On	7. Requirement/Purpose: (specify) <input type="checkbox"/> Statute	8. Request Initiated: Commissioner _____ Department <u>County Manager</u> Division _____ By: <u>Donald D. Stilwell</u>
	<input type="checkbox"/> Ordinance	
	<input checked="" type="checkbox"/> Admin. Code	
	<input type="checkbox"/> Other	

9. Background:

\$50,000 is becoming an increasingly small amount for procurement, especially in the construction arena, but current practice still requires Board authorization. Additionally, the preparation, submission and processing of blue sheets takes time and money for any type of Board approved procurement. Increasing the procurement threshold for requiring Board approval will lessen blue sheets. Informal quoting/bidding requirements plus senior management involvement in purchases/contracts between \$50,001 and \$100,000 should provide sufficient safeguards for fiscal prudence. Additionally, a survey of ten Florida counties and two Florida cities revealed some Purchasing Directors can sign either up to \$100,000, \$250,000, or even \$500,000 in the case of Miami-Dade County. Following are the proposed threshold level changes:

- Increase the threshold of purchasing/contracts authority for department directors from a maximum of \$24,999 to a maximum of \$50,000.
- Increase the threshold for Senior Management and Purchasing Director purchase approval (currently between \$25,000 to \$50,000) to between \$50,001 and \$100,000.
- Increase the threshold for Senior Management and Contracts Manager contract approval (currently between \$25,000 and \$50,000) to between \$50,001 and \$100,000.
- Change the threshold for requiring Board approval of purchases/services from over \$50,000 to over \$100,000.
- Increase the threshold for requiring Formal Quotes/Bids/RFP's/RFQ's from \$50,001 to \$100,000.
- Require Informal Quotations to be handled by Purchasing for amounts between \$50,001 and \$100,000.
- Allow Informal Bids to be handled by Departments/Divisions for proposed contract amounts between \$50,001 and \$100,000 as long as the bids are not relating to any type of professional services.
- Continue to require Contracts Management to handle the procurement of any type of professional services over \$50,000 with the following exceptions: in the case of change orders & supplemental task authorizations, department directors will have authority up to \$50,000 and Senior Management will have authority between \$50,001 and \$100,000.
- Increase the subtrade threshold level for when a department acts as its own general contractor for projects under \$200,000 from \$50,000 to \$75,000.

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
				<u>3/1/06</u>	Analyst <u>3/1/06</u>	Risk <u>3/1/06</u>	Grants <u>3/2/06</u>	Mgr. <u>2/23/06</u>	<u>3-27-06</u>

11. Commission Action:

- Approved
 Deferred
 Denied
 Other

RECEIVED BY
COUNTY ADMIN:
COUNTY ADMIN:
FORWARDED TO:
<u>3/2/06</u>
<u>9.30</u>

Rec. by CoAtty
Date: <u>3/2/06</u>
Time: <u>2:00pm</u>
Forwarded To:
<u>3/1/06</u>

LEE COUNTY RESOLUTION NO. _____

A RESOLUTION OF THE LEE COUNTY BOARD OF COUNTY COMMISSIONERS RELATING TO AMENDMENTS TO THE LEE COUNTY ADMINISTRATIVE CODES AS ADOPTED BY LEE COUNTY ORDINANCE NO. 97-23; PROVIDING FOR APPROVAL OF CERTAIN AMENDMENTS TO THE LEE COUNTY ADMINISTRATIVE CODES; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners is the governing body in and for Lee County, a political subdivision of the State of Florida; and,

WHEREAS, the Board of County Commissioners has previously enacted Lee County Ordinance No. 96-01, creating a charter form of government for Lee County pursuant to Section 125.80, et al., Florida Statutes, and which was approved and ratified by the Electorate of Lee County on November 5, 1996; and,

WHEREAS, the Board of County Commissioners has previously enacted Lee County Ordinance No. 97-23, which adopted the Lee County Administrative Code pursuant to Section 2.2.E. of Ordinance No. 96-01, the Lee County Charter; and,

WHEREAS, Lee County Ordinance No. 97-23 at Section III allows and provides for amendments to the Lee County Administrative Code to be made by Resolution of the Board of County Commissioners at a regularly scheduled Board of County Commissioners' meeting; and,

WHEREAS, certain amendments to the Lee County Administrative Code are now being proposed, and the Board of County Commissioners finds that such proposed

amendments are acceptable, serve a public purpose and are consistent with the terms and conditions of Lee County Ordinance No. 96-01, the Lee County Charter; and,

WHEREAS, the County Manager has the authority to approve and implement procedural revisions to the Contract and Purchasing Manuals.

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

1. The above recitals are hereby accepted and approved as being true and accurate, and is adopted and incorporated herein as if set out further at length.
2. The proposed procurement threshold level amendment(s) as listed below relating to Lee County Administrative Codes AC-4-1, Purchasing Manual (Appendix "D"), and AC-4-4, Contract Manual (Appendix "E"), are approved in concept, and are hereby directed to be incorporated into said Lee County Administrative Codes:
 - Increase the threshold of purchasing/contracts authority for department directors from a maximum of \$24,999 to a maximum of \$50,000.
 - Increase the threshold for Senior Management and Purchasing Director purchase approval (currently between \$25,000 to \$50,000) to between \$50,001 and \$100,000.
 - Increase the threshold for Senior Management and Contracts Manager contract approval (currently between \$25,000 and \$50,000) to between \$50,001 and \$100,000.
 - Change the threshold for requiring Board approval of purchases/services from over \$50,000 to over \$100,000.

- Increase the threshold for requiring Formal Quotes/Bids/RFP's/RFQ's from \$50,001 to \$100,000.
 - Require Informal Quotations to be handled by Purchasing for amounts between \$50,001 and \$100,000.
 - Allow Informal Bids to be handled by Departments/Divisions for proposed contract amounts between \$50,001 and \$100,000 as long as the bids are not relating to any type of professional services.
 - Continue to require Contracts Management to handle the procurement of any type of professional services over \$50,000 with the following exceptions: in the case of change orders & supplemental task authorizations, department directors will have authority up to \$50,000 and Senior Management will have authority between \$50,001 and \$100,000.
 - Increase the subtrade threshold level for when a department acts as its own general contractor for projects under \$200,000 from \$50,000 to \$75,000.
3. The provisions of this Resolution are severable, and it is the intention to confer to the whole or any part of this Resolution, the powers herein provided for. If any of the provisions of this Resolution shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the other remaining provisions of this Resolution. It is hereby declared to be the Board's legislative intent that this Resolution would have been adopted had such an unconstitutional provision not been included herein.
4. This Resolution shall become effective immediately upon its adoption by the Board of County Commissioners.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and, being put to a vote, the vote was as follows:

ROBERT JANES	_____
DOUGLAS ST. CERNY	_____
RAY JUDAH	_____
TAMARA HALL	_____
JOHN E. ALBION	_____

DULY PASSED AND ADOPTED this _____ day of _____, 2006.

ATTEST:
CHARLIE GREEN, CLERK

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: _____
Deputy Clerk

By: _____
Chairwoman

APPROVED AS TO FORM:

By: _____
Office of the County Attorney