



Yocelyn Galiano, ICMA-CM
Village Manager
manager@pinecrest-fl.gov

MEMORANDUM
Office of the Village Manager

DATE: November 3, 2023
TO: The Honorable Mayor and Members of the Village Council
FROM: Yocelyn Galiano, ICMA-CM, Village Manager
RE: Ordinance Amending Section 2-290, "Purchasing Limitations; Competitive Bidding," of Chapter 2 of the Village Code of Ordinances

The Village's purchasing procedure ordinance was originally adopted in 1996 and amended in 2002 and 2006 as follows:

1996 Policy

Under \$1,000, authorized by the Village Manager, without competitive bidding or quotes.
\$1,000 to \$5,000, required competitive bidding and authorized by Village Manager.
Over \$5,000, required competitive bidding and award by Village Council.

2002 Amended Policy

Under \$2,500, authorized by the Village Manager, without competitive bidding or quotes.
\$2,500 to \$15,000, required three quotes and authorized by Village Manager.
Over \$15,000, required competitive bidding and award by Village Council.

2006 Amended Policy

Under \$10,000, authorized by the Village Manager, without competitive bidding or quotes.
\$10,000 to \$50,000, requires three quotes and authorization by Village Manager.
Over \$50,000, requires competitive bidding and award by Village Council.

According to the US Bureau of Labor Statistics, in 2023 versus 2006 when the purchasing policy was last amended, prices are 44.97% higher and the average inflation rate is 2.21% per year. So, what was worth \$10,000 in 2006 is now valued at \$15,267.

In an effort to improve the efficiency of the Village's procurement process, the attached proposed ordinance adds an additional alternative to purchases in the amounts between \$50,000 and \$100,000. Purchases falling within those amounts would require quotes from three different vendors, as opposed to a formal bid, and would continue to be approved by Village Council. Any purchases over \$100,000 would still require a formal bid process.

2023 Proposed Policy

Under \$10,000, authorized by the Village Manager, without competitive bidding or quotes
\$10,000 to \$50,000, requires three quotes and authorization by Village Manager.



\$50,000 to \$100,000, requires three quotes and award by Village Council.

Over ~~\$50,000~~-\$100,000, requires competitive bidding and award by Village Council.

I hereby respectfully recommend the Village Council pass the attached Ordinance amending Section 2-290, "Purchasing Limitations; Competitive Bidding," of Chapter 2 of the Village Code of Ordinances.

ORDINANCE NO. 2023-__

AN ORDINANCE OF THE VILLAGE OF PINECREST, FLORIDA, AMENDING SECTION 2-290, "PURCHASING LIMITATIONS; COMPETITIVE BIDDING," OF CHAPTER 2 OF THE VILLAGE CODE OF ORDINANCES TO MODIFY COMPETITIVE BIDDING THRESHOLDS AND METHODS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Village of Pinecrest ("Village") maintains purchasing limitations and competitive bidding requirements under Section 2-290 of the Village Code of Ordinances ("Purchasing Ordinance"); and

WHEREAS, the Village wishes to amend the Purchasing Ordinance to provide greater efficiencies in the Village's procurement operations; and

WHEREAS, the Village Council finds it to be in the best interest of the public, health, safety, and welfare of the citizens to adopt the Ordinance amending the Village's Code of Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE COUNCIL OF THE VILLAGE OF PINECREST, FLORIDA, AS FOLLOWS:¹

Section 1. Recitals. That the above stated recitals are hereby adopted and confirmed.

¹ Coding: ~~Strikethrough~~ words are deletions to the existing words. Underlined words are additions to the existing words. Changes between first and second reading are indicated with **yellow highlight** and ~~double-strikethrough~~ or double underline.

Section 2. Village Code Amended. The Village Council of the Village of Pinecrest hereby amends Section 2-290 of Division 2, "Purchasing," of Chapter 2 of the Code of Ordinances as follows:

CHAPTER 2 – ADMINISTRATION

DIVISION 2 – PURCHASING

Section 2-290. Purchasing limitations; competitive bidding.

- (a) *Purchases less than \$10,000.00.* Purchases of or contracts for materials, supplies, equipment, improvements or services for which funds are provided in the budget, where the total amount to be expended is not in excess of \$10,000.00, may be made or entered into by the village manager without submittal to the village council and without competitive bidding. Single purchases or contracts in excess of \$10,000.00 shall not be broken down to amounts less than \$10,000.00 to avoid the requirements of this subsection.
- (b) *Purchases equal to or more than \$10,000.00 but less than \$50,000.00.* Purchases of or contracts for materials, supplies, equipment, improvements or services for which funds are provided in the budget, where the total amount to be expended is equal to or in excess of \$10,000.00 but which does not exceed \$50,000.00, may be made or entered into by the village manager without submittal to the village council and without formal competitive bidding, but shall require that the village manager obtain quotes from at least three different vendors. Single purchases or contracts in excess of \$50,000.00 shall not be broken down to amounts less than \$50,000.00 to avoid the requirements of this subsection.
- (c) *Purchases equal to or more than \$50,000 but less than \$100,000.00.* Purchases of or contracts for materials, supplies, equipment, improvements or services for which funds are provided in the budget, where the total amount to be expended is equal to or in excess of \$50,000.00 but which does not exceed \$100,000.00, may be made or entered into by the village manager without formal competitive bidding, but shall require that the village manager obtain village council approval and quotes from at least three different vendors. Single purchases or contracts in excess of \$100,000.00

shall not be broken down to amounts less than \$100,000.00 to avoid the requirements of this subsection.

~~(c)~~ (d) *Purchases in excess of ~~\$50,000.00~~ \$100,000.00.* The village council shall approve all purchases of or contracts for materials, supplies, equipment, public improvements or services where the total amount to be expended is more than ~~\$50,000.00~~ \$100,000.00. Purchases in excess of ~~\$50,000.00~~ \$100,000.00 shall be in compliance with the competitive bidding requirements set forth in section 2-291.

~~(d)~~ (e) *Exceeding budget appropriation.* The village manager may not purchase or contract for any item or service which exceeds any budget appropriation until such a time as the village council amends the budget to increase the appropriation to the applicable level.

* * *

Section 3. Severability. The provisions of this Ordinance are declared to be severable and if any section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Ordinance but they shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

Section 4. Conflict. All Sections or parts of Sections of the Code of Ordinances, all ordinances or parts of ordinances, and all Resolutions, or parts of Resolutions, in conflict with this Ordinance are repealed to the extent of such conflict.

Section 5. Codification. It is the intention of the Village Council, and it is hereby ordained that the provisions of this Ordinance shall become and made a part of the Code of the Village of Pinecrest; that the sections of this Ordinance may be renumbered or re-

lettered to accomplish such intention; and that the word "Ordinance" shall be changed to "Section" or other appropriate word.

Section 6. Effective Date. This Ordinance shall be effective immediately upon adoption on second reading.

PASSED on first reading this 14th day of November, 2023.

PASSED AND ADOPTED on second reading this ___th day _____, 2023.

Joseph M. Corradino, Mayor

ATTEST:

Priscilla Torres, MMC
Village Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Mitchell Bierman
Village Attorney

Motion on Second Reading by:
Second on Second Reading by:

Vote: