

EMERGENCY

AEP

- 2025

MODIFYING Chapter 321, “Procurement and Disposal of Supplies, Services and Construction,” of the Cincinnati Municipal Code by **AMENDING** Sections 321-11, “Procurement; \$5,000 or Less,” and 321-13, “Procurement; Supplies, Services and Construction in Excess of \$5,000.00 but not Greater Than \$50,000.00,” to increase the threshold for small-dollar procurements and improve the efficiency of the procurement process.

WHEREAS, the threshold for small-dollar purchases under Section 321-11 of the Cincinnati Municipal Code has remained unchanged since 1992 despite significant increases in the cost of goods and services; and

WHEREAS, raising the threshold for small-dollar purchases from \$5,000 to \$15,000 will reduce administrative delays for routine purchases and enable faster response to operational needs, minimizing costly downtime for critical City services; and

WHEREAS, key safeguards will remain in place and the Office of Procurement will continue to monitor all small-dollar transactions and provide oversight; and

WHEREAS, the City Procurement Manual outlines limitations and compliance requirements for small-dollar purchases, including the one-transaction-per-vendor-per-commodity rule; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

Section 1. That Sections 321-11, “Procurement; \$5,000 or Less,” and 321-13, “Procurement; Supplies, Services and Construction in Excess of \$5,000.00 but not Greater Than \$50,000.00,” of the Cincinnati Municipal Code are amended as follows:

Section 321-11. – Procurement; ~~\$5,000~~ \$15,000.00 or Less.

The city purchasing agent may make any contract and purchase supplies, services or construction for any work of the city involving an expenditure of not more than ~~\$5,000~~ \$15,000.00 by award after announcement without advertising, contract and bonding procedures in accordance with small purchase procedures promulgated by the city purchasing agent. Procurement requirements shall not be artificially divided so as to fall within the authority contained in this section.

For purchases of ~~\$5,000.00~~ \$15,000.00 or less, notice and award must be given to a certified SBE, ELBE, or SLBE listed for that particular commodity code, unless the city purchasing agent determines one of the following:

- (a) Such award would be impractical;
- (b) Such award would not be in the best interest of the city based on price.

In such cases, competitive bidding shall be conducted pursuant to policies promulgated by the city purchasing agent.

Section 321-13. - Procurement; Supplies, Services and Construction in Excess of ~~\$5,000.00~~ \$15,000.00 but not Greater Than \$50,000.00.

The following shall apply to contracts for supplies, services, or construction involving an expenditure in excess of ~~\$5,000.00~~ \$15,000.00 but not in excess of \$50,000.00:

- (a) The city purchasing agent may award and enter into such contracts without additional approval by the city manager or board or commission on whose behalf the procurement is made.
- (b) Such contracts shall be competitively procured by request for quotes or ITB. The city purchasing agent may waive the requirement for bid or performance surety.
- (c) Certified SBEs, SLBEs, and ELBEs registered as vendors with the city in the commodity class applicable to the procurement will receive notice of the procurement through the city's online procurement system.
- (d) ~~For purchases of \$50,000.00 or less, the~~ The contract must be awarded to a certified SBE, SLBE, or ELBE listed in the commodity code, unless one of the following occurs:
 - (1) The contract is awarded pursuant to subsection (e) below;
 - (2) There are no certified SBEs, SLBEs, or ELBEs in the commodity code;
 - (3) No certified SBE, SLBEs, or ELBEs in the commodity code provide a quote;
 - (4) The city purchasing agent determines in writing that it is impractical or not in the best interest of the city to award the contract to the certified SBE, SLBE, or ELBE based on price; or
 - (5) The city purchasing agent rejects all quotes from certified SBEs, SLBEs or ELBEs.

If one of the circumstances listed in subsections (2) through (5) above exists, then three quotes should be obtained from businesses in the commodity code that are not certified SBEs, SLBEs or ELBEs or are not SBEs, SLBEs, or ELBEs, and competitive bidding shall be conducted pursuant to policies promulgated by the city purchasing agent.

- (e)
 - (1) If a quote process is utilized, at least two but not more than three quotes must first be obtained from certified SBEs, SLBEs, or ELBEs listed in the commodity code.
 - (2) If there is only one certified SBE, SLBE, or ELBE in the commodity code or only one certified SBE, SLBE, or ELBE in the commodity responds to the city's request for quote, then two additional quotes must be obtained from businesses in the commodity code that are not certified SBEs, SLBEs, or ELBEs.
 - (3) If the quote from a business that is not a certified SBE, SLBE, or ELBE is the lowest and best quote of the three received by the city, the certified SBE, SLBE, or ELBE will be awarded the contract if it agrees to match the lowest and best quote. If the certified SBE, SLBE, or ELBE does not agree to match the lowest and best quote within three business days after the city purchasing agent offers that business the opportunity to match the lowest and best quote, then the contract will be given to the business that submitted the lowest and best quote, regardless of certification status.
- (f) The city purchasing agent may establish a contract award rotation process for SBEs, SLBEs, and ELBEs certified in specific commodity codes to make contract award opportunities equitably available to such businesses.
- (g) Surety.
 - (1) The city purchasing agent will have discretion regarding bonding requirements for both bid and performance surety, including without limitation, the amount of such bonds.
 - (2) The city purchasing agent shall establish a commodity and a threshold exemption for surety and bond requirements.

This section shall not apply to bids, requests for proposals, or requests for qualifications or other procurement processes identified to be a part of the city's sheltered market program as provided in CMC Section 323-19. The purchasing agent shall be responsible for awarding and executing all contracts awarded through the sheltered market program.

Section 2. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of Section 1.

Section 3. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is

the immediate need to increase the threshold for small-dollar procurements so that the City may realize the resulting efficiencies and operational improvements at the earliest possible time.

Passed: _____, 2025

Aftab Pureval, Mayor

Attest: _____
Clerk

Deletions are indicated by strikethrough; additions are indicated by underline.