NOTICE OF ADOPTION OF RULE

Pursuant to the authority vested in the Procurement Policy Board by Section 311 of the New York City Charter ("Charter") and in accordance with the requirements of Section 1043 of said Charter, the Procurement Policy Board has adopted amendments to Chapter 3 of Title 9 of the Rules of the City of New York. The amendments were published in the City Record on August 14, 2015, and a public hearing was held on September 14, 2015. The amendments were adopted by the Procurement Policy Board on October 21, 2015. This rule will go into effect on March 1, 2016.

STATEMENT OF BASIS AND PURPOSE OF RULE

The amendment increases the dollar amount below which procurement and award of contracts for construction can be made without competition from $20,000 to $35,000, in order to increase micropurchase awards to minority and women-owned business enterprises.

PPB’s authority for these rules is found in sections 311 and 1043 of the New York City Charter.

The Rule Amendments

New material is underlined and deletions are [bracketed].

“Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this board, unless otherwise specified or unless the context clearly indicates otherwise.

Section 1. Subdivisions (c) and (d) of Section 3-08 of Chapter 3 of Title 9 of the Rules of the City of New York are amended to read as follows:

(c) Scope.

(1) Competition Objective.

(i) Public notice of solicitation and award, presolicitation review report, Recommendation for Award, vendor protests, written notice to the low bidder or offeror of non-responsiveness, VENDEX Questionnaire (unless the aggregate value of purchases, franchises, and concessions awarded to that vendor including this one during the immediately preceding twelve-month period equals or exceeds $100,000), and public hearing shall not be required for small purchases awarded pursuant to this section.

(ii) Micropurchases. For procurements of goods and all services except construction the value of which is $20,000 or less, and for procurements of construction the value of which is $35,000 or less, no competition is required except that in making purchases below this limit, Contracting Officers [shall] must ensure that the noncompetitive price is reasonable and that purchases are distributed appropriately among responsible vendors, including M/WBE vendors. Documentation of such purchases...
(iii) Small Purchases. For procurements of goods and all services except construction valued over $20,000 or procurements of construction valued over $35,000 through the small purchase limits, at least five vendors shall be solicited at random from the appropriate citywide small purchases bidders list established by the CCPO for the particular goods, services, construction, or construction-related services being purchased, except where the bidders list consists of fewer than five vendors, in which case all vendors on the list shall be solicited. Agencies may additionally employ any small purchase technique sanctioned by DSBS that is not otherwise in violation of these Rules. The agency may solicit additional vendors but only with the approval of the CCPO. Responsive bids or offers shall be obtained from at least two vendors. For purposes of this section, a response of “no bid” is not a responsive bid. If only one responsive bid or offer is received in response to a solicitation, an award may be made to that vendor if the Contracting Officer determines that the price submitted is fair and reasonable and that other vendors had reasonable opportunity to respond.

(2) Solicitation Methods and Use.

For small purchases of particular goods and all services except construction valued at more than $20,000 and small purchases of construction valued at more than $35,000, agencies shall use a written solicitation describing the requirements, which shall contain, at a minimum:

(i) a description of the item or service requested;

(ii) time, date, place, and form of requested response;

(iii) basis for award; and

(iv) name and telephone number of the Contracting Officer to whom inquiries may be directed.

(d) Award. Small purchases for goods and all services except construction valued at over $20,000 or small purchases for construction valued at over $35,000 shall be awarded to the lowest responsive and responsible bidder or to the responsive and responsible offeror that has made the most advantageous offer. After such determination has been made and all necessary approvals have been obtained, the Contracting Officer shall issue a purchase order or contract, as appropriate, to the successful bidder or offeror.