



Fulton County Board of Commissioners
Agenda Item Summary

BOC Meeting Date
 8/16/2017

Requesting Agency

Purchasing & Contract Compliance

Commission Districts Affected

All Districts

Requested Action *(Identify appropriate Action or Motion, purpose, cost, timeframe, etc.)*

Presentation of Purchasing Reform Initiatives

Requirement for Board Action *(Cite specific Board policy, statute or code requirement)*

Is this Item related to a Strategic Priority Area? *(If yes, note strategic priority area below)*

Is this a purchasing item?

Yes

Summary & Background

(First sentence includes Agency recommendation. Provide an executive summary of the action that gives an overview of the relevant details for the item.)

Presentation of Purchasing Reform Initiatives

Agency Director Approval

County Manager's Approval

Typed Name and Title

Felicia Strong-Whitaker, Director

Phone

(404) 612-5800

Signature

Date



PURCHASING REFORM INITIATIVE

PURPOSE

The Purchasing Reform Initiative Task Committee was comprised of internal stakeholders. The purpose of the Committee was to:

- ▶ Provide feedback regarding their concerns/issues and barriers as it relates to the purchasing process
- ▶ Make recommendations in order to streamline the purchasing process to make it more efficient and effective to enable the respective Departments to provide services to stakeholders, both internal and external in a more efficient and effective manner
- ▶ Allow the Board more time to have broader discussions regarding strategic initiatives/priority areas and impacts



CONCERNS/ISSUES

The following concerns/issues were identified by members of the Task Committee as barriers:

- \$2,500 contract signing limit for CM
- Renewals approved by BOC
- Purchasing Thresholds
- Update of Real Property Code
- Change Orders
- Contract Extensions
- Local Preference Requirements



MAJOR PURCHASING CODE REVISIONS

PROPOSED CHANGE	RATIONALE
<i>Increase in Purchasing Thresholds:</i>	To provide increased flexibility to User Departments to procure a greater variety of goods without a formal solicitation process while maintaining an open and competitive process.
<i>Revisions to Disposition of county-owned real property Codes</i>	Currently reviewing codes to insure that codes are up to date with state laws and best practices and to consolidate all transactions dealing with real property into one code division.



PURCHASING THRESHOLDS

	Fulton Present	Fulton Proposed	Cobb County	DeKalb County	Gwinnett County	City of Atlanta
Small Purchase	0 - 2,499	0 - 10,000	0-10,000	0 - 5,000	0 - 4,999 User 5,000- 9,999 Purchasing	0 - 20,000
Quotes	2,500- 49,999	10,001- 100,000	10,001 - 100,000	5,001- 25,000	10,000- 100,000	20,001- 100,000
Formal Solicitations	Greater than 50,000	Greater than 100,000	Greater than 100,000	Greater than 100,000	Greater than 100,000	Greater than 100,000
Emergency Purchase	CM Approval BOC ratifies	Greater than 100,000	Greater than 100,000	Greater than 100,000	Greater than 100,000	Greater than 100,000
Sole Source	All require BOC approval	Greater than 100,000	Greater than 100,000	Greater than 100,000	Greater than 100,000	Greater than 100,000
Cooperative/ Statewide	Less than 50,000	Greater than 100,000	Greater than 100,000	Greater than 100,000	Greater than 100,000	Greater than 100,000



MAJOR PURCHASING CODE REVISIONS

PROPOSED CHANGE	RATIONALE	ACCOUNTABILITY
<p><i>Authority of the County Manager:</i></p> <ol style="list-style-type: none"> 1) Authority to sign contracts for services up to \$100,000; 2) Authority to approve Change Orders less than 10% of contract price; 3) Authority to approve Renewals when the initial contract has been approved by the BOC and allowed renewal options; 4) Authority to extend existing contracts up to 90 days, one-time only; 5) Authority to approve Emergency Purchases up to \$100,000 without subsequent ratification by the BOC. 	<p>Consistent with neighboring jurisdictions that have County Manager form of government recommendation is to provide the County Manager the authority to approve and sign certain purchases without additional approval of the Board of Commissioners.</p> <p>These changes will allow for efficiency in the procurement of goods and services and will delegate expanded authority to the County Manager.</p> <p>All would require the recommendation of the Purchasing Agent.</p>	<p>Monthly reports will be provided to BOC by the Purchasing Director that will include:</p> <ol style="list-style-type: none"> 1) List of contracts signed by County Manager up to \$100,000 2) List of Renewals approved by the County Manager 3) List of emergency purchases approved by the County Manager up to \$100,000



MAJOR PURCHASING CODE REVISIONS

PROPOSED CHANGE	RATIONALE
<p><i>Revising criteria for Local Preference Requirements:</i></p> <p>Removing the following criteria in order to meet local preference:</p> <ol style="list-style-type: none">1) Businesses where at least 51% of the owners of the business are residents of Fulton County but the business is located outside of Fulton County.2) Businesses where at least 51% of the employees of the business are residents of Fulton County but the business is located outside of Fulton County.	<p>Removing the cumbersome requirements for receiving local preference such that the preference will be provided if the Proposer provides supporting documents under oath that it has a staffed, fixed, physical place of business in Fulton County and has had a valid business license for same for at least one year.</p>



SUMMARY

- ▶ This action will not require legislative action and can be enacted under the Home Rule;
- ▶ The current purchasing thresholds have been in place since 1998 and have never been adjusted for inflation;
- ▶ All recommendations are in compliance with the NIGP: The Institute for Public Procurement;
- ▶ The recommendations will streamline the purchasing process, yield efficiencies, simplify, and reduce procurement lead times for day-to-day support items;
- ▶ Support documentation will continue to be maintained regarding the acquisition process;
- ▶ The Board of Commissioners will maintain accountability and oversight through monthly reporting.

