

Lisa M. Flores
Director and
City Chief Procurement Officer



Eric Adams
Mayor

From: Lisa M. Flores, City Chief Procurement Officer

To: Guillermo Chacón, Member and Chair, PPB
Wayne Lambert, Member, PPB
Alicia Berenyi, Member, PPB
Victor O. Olds, Member, PPB
Charlette Hamamgian, Member, PPB

Date: June 9, 2023

Subject: Final Report for M/WBE Innovative Procurement Method

As you are aware, as the City Chief Procurement Officer (CCPO) and Director of the Mayor's Office of Contract Services (MOCS), I approved the M/WBE Noncompetitive Innovative Procurement Method to allow agencies to make noncompetitive procurements to City-certified Minority and Women Owned Business Enterprises (M/WBEs) from above \$500,000 up to and including \$1,000,000. This innovative procurement method also allows agencies to make amendments to M/WBE Noncompetitive Small Purchase Method contracts to increase such contracts to amounts above \$500,000 up to and including \$1,000,000 for goods, standard services, professional services, and construction.

On October 24, 2022, pursuant to Section 3-12 of the Procurement Policy Board (PPB) Rules, I approved the Office of Technology and Innovation's innovative procurement request (see Attachment A) on behalf of all New York City agencies and entities subject to the NYC PPB Rules.

On January 9, 2023, the Office of Technology and Innovation registered the first contract procured through this innovative method. PPB Rule Subsection 3-12(f) provides that no later than eight months after the registration of the first contract let through an innovative procurement method, the CCPO must transmit the final report to the PPB recommending whether or not it would be in the City's best interests to codify the innovative method use within these Rules.

Since the registration of the first contract, the PPB reviewed and adopted the changes to PPB Rule Section 3-08, which, among other things, allows the dollar threshold for the M/WBE Noncompetitive Small Purchase mechanism to automatically align with the

threshold set in the Charter while establishing more robust notice requirements for these procurements. The below summary of the results of this innovative procurement method further demonstrates that it is in the City’s interest to increase the dollar threshold for the M/WBE Noncompetitive Small Purchase mechanism.

Pursuant to the terms of the innovative procurement authorization, the City has awarded 12 new contracts totaling about **\$10,591,571**, which reflects an average award amount of \$882,631. The 12 contracts were awarded to 10 unique M/WBE vendors.

Pursuant to the terms of the innovative procurement authorization, the City has amended 34 contracts, with amendments totaling about **\$14,719,582**, which reflects an average amendment amount of \$432,929. These 34 contracts were awarded to 28 unique M/WBE vendors.

Please refer to the tables below for information on new contract awards (Table 1) and amendments (Table 2).

Table 1. New Contract Awards¹

Agency	Vendor Name	Award Amount
DHS	DEFASH GLOBAL RESOURCES INC	\$1,000,000
DHS	SUNSHINE ENVIRONMENTAL SOLUTIONS LLC	\$1,000,000
DoITT	Eleven3seven5 LLC	\$506,322
DoITT	ISLAND COMPUTER PRODUCTS INC ICP INC	\$1,000,000
DoITT	Radiant Resources, Inc	\$906,000
DSNY	INNOVATIVE CONSTRUCTION & MANAGEMENT CO INC	\$1,000,000
DSNY	QUALITY AND ASSURANCE TECHNOLOGY CORP	\$1,000,000
DSNY	QUALITY AND ASSURANCE TECHNOLOGY CORP	\$1,000,000
DOT	BUILDING MAINTENANCE CORP	\$1,000,000
DOT	BUILDING MAINTENANCE CORP	\$1,000,000
DOT	MOOR METALS INC	\$574,960
DOT	SPRUCE TECHNOLOGY INC	\$604,289
Grand Total		\$10,591,571

¹ For purposes of this report, the values have been rounded to the nearest dollar.

Table 2. Contract Amendments²

Agency	Vendor Name	Previous Contract Amount	Amendment Amount
ACS	ASIA TRADING INT'L LLC	\$320,000	\$200,350
DCAS	JEDI ARK CORP	\$250,000	\$267,500
DDC	ImageWork USA LLC	\$367,500	\$632,500
DDC	PRUTECH SOLUTIONS, INC	\$400,000	\$600,000
DDC	PRUTECH SOLUTIONS, INC	\$400,000	\$600,000
DDC	PRUTECH SOLUTIONS, INC	\$367,500	\$632,500
DDC	SKCS LLC	\$385,000	\$615,000
DDC	SVAM INTERNATIONAL INC	\$395,280	\$604,720
DDC	SVAM INTERNATIONAL INC	\$493,763	\$506,238
DDC	SVAM INTERNATIONAL INC	\$490,000	\$510,000
DOB	UNIFORMS BY PARK COATS INC	\$500,000	\$500,000
DOHMH	ALL SOUTH SHORE MEDICAL SUPPLY INC	\$500,000	\$500,000
DOHMH	CEN-MED ENTERPRISES INC	\$300,000	\$500,000
DOHMH	QUALITY AND ASSURANCE TECHNOLOGY CORP	\$115,760	\$768,583
DOHMH	SALAM INTERNATIONAL INC	\$500,000	\$500,000
DoITT	BRIDGE PHILANTHROPIC CONSULTING LLC	\$500,000	\$500,000
DoITT	INFOPEOPLE CORPORATION	\$461,125	\$227,500
DoITT	INFOPEOPLE CORPORATION	\$461,125	\$227,500
DoITT	INNOVATIVE BUSINESS CONCEPTS,INC	\$499,000	\$3,468
DoITT	MOBILITY CAPITAL FINANCE INC	\$485,000	\$515,000
DoITT	SPRUCE TECHNOLOGY INC	\$499,527	\$273,000
DOT	FINESSE CREATIONS INC	\$500,000	\$500,000
DOT	SHADOW TRANSPORT INC	\$500,000	\$300,000
DPR	HTC LANDSCAPING INC	\$500,000	\$6,921
DSNY	AWICS SECURITY & INVESTIGATIONS	\$500,000	\$500,000
DSNY	FLASH EXTERMINATING, INC	\$500,000	\$500,000
DSNY	GATEWAY DEMO-CIVIL CORP	\$400,000	\$600,000
DSNY	GRANT INT'L CO INC GRANT ELECTRICAL SUPPLIES	\$500,000	\$500,000
DSNY	J M ELECTRICAL CORP	\$100,000	\$900,000
DSNY	Visionaryz Inc	\$492,200	\$497,617

² For purposes of this report, the values have been rounded to the nearest dollar.

FDNY	ORIENTAL LUMBER INC	\$500,000	\$500,000
Mayoral	INFOPEOPLE CORPORATION	\$499,583	\$93,625
SBS	INNOVEE CONSULTING LLC	\$409,920	\$112,080
SBS	PEER CONSULTING RESOURCES INC	\$500,000	\$25,480
Grand Total		\$14,592,283	\$14,719,582



To: Lisa Flores, City Chief Procurement Officer
From: John Gioia, Agency Chief Contracting Officer, New York City Office of Technology & Innovation
Date: October 24, 2022
Subject: Request for Approval for Use of PPB Rule Section 3-12, Innovative Procurement Method for MWBE Noncompetitive Small Purchase Up To and Including \$1M

The New York City (the “City”) Office of Technology & Innovation (“[OTI]”) is hereby requesting approval to use the Innovative Procurement method, pursuant to the New York City Procurement Policy Board (“PPB”) Rule § 3-12, for purchases exclusively from City-certified M/WBEs for construction, goods, standard services, and professional services from above \$500,000 up to and including \$1,000,000 and for contract increases to M/WBE noncompetitive small purchases to above \$500,000 up to and including \$1,000,000. This method shall be available for all agencies subject to the PPB Rules. In requesting this authorization, we have made the following determinations:

1. The Nature and Requirements of the Procurement Method Being Proposed

The innovative procurement method to be used for these M/WBE purchases will vary in a number of respects from the procedure otherwise applicable pursuant to the PPB Rules, including but not limited to, PPB Rule § 3-08(c)(1)(iv). As with other noncompetitive purchases, changes to and/or renewals of purchases pursuant to this method must not bring the total value of the procurement to an amount greater than the M/WBE discretionary buying threshold amount. Key elements of the M/WBE purchase method include the following:

No competition will be required for the procurement of goods, services, and construction to City-certified M/WBEs within this limit, except that in making such purchases, agency contracting officers should obtain price or rate quotations from at least three City-certified M/WBE vendors capable of providing goods, services, or construction needed. If, after exercising reasonable efforts, the agency has not received three responses, they may proceed with the award. Documentation of such purchases must identify the vendor the item was purchased from, the item purchased, and the amount paid.

Determinations required pursuant to PPB Rule § 2-01, presolicitation review including public notices of solicitation and the presolicitation review reports pursuant to PPB Rule § 2-02, and recommendations for awards pursuant to PPB Rule § 2-09 will not be required. Agencies should consider any issues that may affect the responsibility of a vendor before issuing an award pursuant to PPB Rule § 2-08.

After a vendor has been selected, the contracting officer must issue a contract, as appropriate, to the successful bidder or offeror. The procurement file must include at a minimum all of the



requirements of PPB Rule § 3-08(e)(1)-(7), (12) and (14), in addition to the dollar amount of the contract. As with small purchases pursuant to PPB Rule § 3-08, vendor protests per PPB Rule § 2-10 will not be permitted. Performance evaluations pursuant to PPB Rule § 4-01 shall not be required except in cases of deficient performance.

Pursuant to PPB Rule § 3-12(e), a notice of award must be provided for each purchase made.

Agencies may also utilize this innovative procurement method to amend M/WBE noncompetitive small purchases made pursuant to PPB Rule § 3-08(c)(1)(iv) to above \$500,000 and up to and including \$1,000,000.

2. Why This Method Serves the City's Interest Better Than the Current Rules

The City has implemented its M/WBE program in an effort to remedy the documented disparity in utilization of certain groups of vendors as compared to their willingness and ability to do business with the City. As an additional tool which will allow the City to utilize more M/WBEs in a more efficient way, this method will aid the City in its goal of decreasing and ultimately eliminating this documented disparity against such groups. The current PPB Rules only allow for MWBE noncompetitive small purchases to be made up to and including \$500,000. This method operationalizes the recent New York State law (Chapter 569 of the Laws of 2022) that amended the NYC Charter § 311 and gives agencies the specific authority granted under such legislation to make such purchases up to and including \$1,000,000. By removing competition for these procurements, it will allow agencies to provide a variety of important services to New Yorkers in a faster and more efficient way. Finally, this new noncompetitive small purchase will increase the number of procurements that are going to M/WBEs, especially those under-utilized M/WBEs, and further the effectiveness of the program.

3. The Time Within Which This Method Will be Implemented and Utilized

We anticipate that the use of this innovative method will begin to result in registered contracts during the second quarter of Fiscal Year 2023. The method will be in use until there are codified PPB Rules addressing these procedures or the time period to utilize such innovative procurement method elapses, whichever occurs first.

4. Description of the Services to be Procured and Approximate Dollar Value of Contracts

Based on the New York State legislation, which this method seeks to operationalize, this method will be utilized by agencies to procure goods, standard services, professional services, and construction services up to \$1,000,000 for which there is an available pool of City-certified M/WBEs. We cannot determine the total approximate dollar value of contracts that will be procured since the procurement cycle and values of contracts within the included industries changes from fiscal year to fiscal year.



Based on the above, I have determined that the proposed innovative method constitutes an appropriate procurement method under § 3-12 of the PPB Rules.

Requested by: John P. Mirin (Signature)
Agency Chief Contracting Officer
October 24, 2022 (Date)

Approved by CCPO: [Signature] (Signature)
10/24/22 (Date)