PUBLIC MEETING

PROCUREMENT POLICY BOARD MEETING

THURSDAY DECEMBER 15th, 2022 @ 1:00 P.M.
255 GREENWICH STREET, 9TH FLOOR, BOARD ROOM
NEW YORK, NEW YORK 10007

NOTE: For further information on accessibility or to make a request for accommodations, such as sign language interpretation services, please contact the Mayor’s Office of Contract Services (MOCS) via e-mail at DisabilityAffairs@mocs.nyc.gov or via phone at (646) 872-0231. Any person requiring reasonable accommodation for the public meeting should contact MOCS at least five (5) business days in advance of the meeting to ensure availability.

Procurement Policy Board Public Meeting
Thursday, December 15, 2022 @ 1:00 P.M.

Item No. 1: Proposed Changes to PPB Rule 3-08 (M/WBE Noncompetitive Small Purchase)
STATEMENT OF BASIS AND PURPOSE OF PROPOSED RULE

The Minority and Women-Owned Business Enterprise (M/WBE) Noncompetitive Small Purchase procurement method set forth in Procurement Policy Board (PPB) Rule § 3-08 allows agencies to award contracts up to a certain dollar amount for goods, professional services, standard services and construction directly to M/WBEs without formal competition.

This year, the Governor signed legislation that increases the dollar threshold for the M/WBE Noncompetitive Small Purchase mechanism from $500,000 to $1,000,000.

Section one of this proposed rule would amend the definition for the term “small purchase limit” by replacing the $500,000 dollar threshold currently listed in PPB Rule § 3-08(a) with a cross reference to section 311(i)(1) of the New York City Charter (Charter).

Section two of this proposed rule would make a corresponding edit amending the scope of applicability of the M/WBE Noncompetitive Small Purchase mechanism in PPB Rule § 3-08(c)(1)(iv).

The purpose of this proposed amendment to the PPB Rules is twofold: (1) to allow agencies to use the M/WBE Noncompetitive Small Purchase mechanism to make purchases not in excess of $1,000,000, in order to address the continuing effects of discrimination on M/WBEs in the market where the City conducts its procurements; and (2) to allow the PPB Rules to automatically align with the dollar threshold featured in the Charter, in the event of any future statutory changes to such threshold.

This proposed rule amendment would exercise authority granted to the City by Chapter 569 of the Laws of 2022 and codified in section 311(i)(1) of the Charter.
PROPOSED RULE CHANGE

Please note that new material added in the text of the proposed rule is underlined and the deleted material is in [brackets]. “Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

SECTION 1. SUBDIVISION (a) OF SECTION 3-08 OF CHAPTER 3 OF TITLE 9 OF THE RULES OF THE CITY OF NEW YORK IS AMENDED TO READ AS FOLLOWS:

(a) Definition. Small purchases are those procurements in value of not more than $100,000 or those procurements made, pursuant to subparagraph (c)(1)(iv) below, in value of not more than [$500,000] the maximum amount authorized pursuant to paragraph (1) of subdivision (i) of section 311 of the Charter. This collectively shall be known as the small purchase limit. Procurements over $100,000 in value that are not made, pursuant to subparagraph (c)(1)(iv) below, shall not be within the small purchase limit.

§ 2. SUBPARAGRAPH (iv) OF PARAGRAPH (1) OF SUBDIVISION (c) OF SECTION 3-08 OF CHAPTER 3 OF TITLE 9 OF THE RULES OF THE CITY OF NEW YORK IS AMENDED TO READ AS FOLLOWS:

(iv) M/WBE Noncompetitive Small Purchases. No competition is required for the procurement of goods, services, and construction from M/WBE vendors, except that in making purchases pursuant to this subparagraph, the Contracting Officer must attempt to obtain at least three price quotes from M/WBE vendors or document their inability to do so. The Contracting Officer must ensure that the noncompetitive price selected is reasonable and that purchases are distributed appropriately among responsible M/WBE vendors. Agencies shall not use this subparagraph to make any purchase for goods, services or construction, the value of which is less than or equal to the applicable micropurchase limits set in subparagraph (c)(1)(ii) above, or to make any purchase the value of which exceeds [$500,000] the maximum amount authorized pursuant to paragraph (1) of subdivision (i) of section 311 of the Charter. Additionally, agencies shall not make purchases pursuant to this subparagraph for human services.