

Ordinance No.1083- 2019

Council Member(s) Bishop, Kelley
(by departmental request)

AN EMERGENCY ORDINANCE

To amend Section 187.14 of the Codified Ordinances of Cleveland, Ohio, 1976, as amended by Ordinance No. 532-13, passed May 13, 2013, relating to small contractor rotation programs.

WHEREAS, this ordinance constitutes an emergency measure providing for the usual daily operation of a municipal department; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That Section 187.14 of the Codified Ordinances of Cleveland, Ohio, 1976, as amended by Ordinance No. 532-13, passed May 13, 2013, is amended to read as follows:

Section 187.14 Small Contract Rotation Program-Programs

(a) Provided that a disparity study or otherwise establishes a legally sufficient basis to employ a Small Contract Rotation Program as a remedy for past or present discrimination under Section 187.28, the Director shall establish a Small Contract Rotation Program for MBEs and FBEs, including procedures, applicable to the categories of construction, professional services and purchase contracts where the cost of the Contract is anticipated to be under fifty thousand dollars (\$50,000.00). The purposes of the Small Contract Rotation Program are to increase contract opportunities for categories of MBEs and FBEs, that have been underutilized at a statistically significant level in Contracts under fifty thousand dollars (\$50,000.00), to provide an orderly and efficient method of awarding purchases and work, and to equitably distribute purchases and work among qualified Contractors.

(b) Under the Small Contract Rotation Program, the City shall limit every second contract to be let by the City for each type of contract, within a category where MBEs and FBEs are underutilized at a statistically significant level, to competition among certified MBEs and FBEs who submit an application in a form acceptable to the Director. The Director shall compile an approved list comprised of not less than two (2) certified MBEs and FBEs for each industry and, as needed, compile specialized lists within industries. The eligible businesses shall be alphabetically ranked on each list and, for a thirty (30) day period commencing on January 1st and June 1st of each year, the Director shall hold open enrollment for applicants. The lists of prequalified vendors shall be made available to the public. The Commissioner of Purchases and Supplies shall solicit bids or proposals from all MBEs or FBEs on the list for each contract to be entered into under the Small Contract Rotation Program. When only one (1) qualified vendor is on the list, the Commissioner of Purchases and Supplies may purchase directly from that firm by direct negotiation of the purchase price.

(c) A CSB or a Business Enterprise located and doing business in the Cleveland Contracting Market is eligible for certification as a "Very Small Business" ("VSB") if it has annual gross revenues less than \$3,000,000.00 on average over the 3-year period immediately preceding its application for certification as a VSB. The Director, in consultation with the Commissioner of Purchases and Supplies, shall establish a Small Contract Rotation Program for VSBs, including procedures applicable to the categories of purchase contracts where the cost of the Contract is anticipated to

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be under \$50,000 (fifty thousand dollars). The purposes of the Small Contract Rotation Program for VSBs are to increase City contract opportunities for VSBs, to provide an orderly and efficient method of awarding purchases and work to VSBs, and to equitably distribute purchases and work among qualified VSBs.

(d) Under the Small Contract Rotation Program for VSBs, the City shall limit every second contract to be let by the City for each type of contract for which there are certified VSBs to competition among those VSBs who submit an application in a form acceptable to the Director. The Director and the Commissioner of Purchases and Supplies shall compile an approved list comprised of not less than 2 (two) VSBs for each industry when possible and, as needed, compile specialized lists within industries. The eligible businesses shall be alphabetically ranked on each list. The lists of prequalified VSBs shall be made available to the public. The Commissioner of Purchases and Supplies shall, according to a procedure established by the Commissioner and made available to the public, solicit bids or proposals from the list for each type of contract to be entered into under the Small Contract Rotation Program for VSBs and qualified to perform the contract work or services. When only one (1) qualified VSB is on the list, the Commissioner of Purchases and Supplies may purchase directly from that firm by direct negotiation of the purchase price.

Section 2. That existing Section 187.14 of the Codified Ordinances of Cleveland, Ohio, 1976, as amended by Ordinance No. 532-13, passed May 13, 2013, is repealed.

Section 3. That this ordinance is declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

JBM:nl
9-9-19

FOR: Director Burrows

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REPORT

after second Reading

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READ FIRST TIME on SEPTEMBER 9, 2019 **REPORTS**
and referred to DIRECTOR(S) of Office of Equal Opportunity, Finance, Law:
COMMITTEE(S) on Workforce and Community Benefits Committee, Finance

CITY CLERK

by the council **READ SECOND TIME**

CITY CLERK

by the council **READ THIRD TIME**

PRESIDENT

CITY CLERK

APPROVED

MAYOR

Recorded Vol. _____ Page _____
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PASSAGE RECOMMENDED BY
COMMITTEE ON
**WORKFORCE & COMMUNITY
BENEFITS**

FILED WITH COMMITTEE

PASSAGE RECOMMENDED BY
COMMITTEE ON
FINANCE

FILED WITH COMMITTEE

