

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: February 10, 2026

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Terence Acquah, Assistant Village Manager

Topic: Bid Threshold Increase

PURPOSE

Staff requests that the Village Board approve an amendment to the Homewood Municipal Code to increase the threshold that triggers formal competitive bidding and prior Board approval from \$20,000 to \$25,000. As part of this update, the Village Manager's authority to approve routine purchases and make minor budget adjustments would also be increased to \$25,000.

PROCESS

This change will update the Village's purchasing and bidding thresholds to better align with current Illinois State law (65 ILCS 5/8-9-1)(65 ILCS 5/4-5-11) and modern project costs. State statute already permits municipalities of Homewood's size, those with a population less than 500,000, to use a \$25,000 threshold, and this action brings the Homewood Municipal Code into consistency with that standard.

As part of this update, the Village Manager's authority to approve routine purchases and make minor budget adjustments will also be increased to \$25,000. This allows staff to move forward more efficiently on smaller, day-to-day operational needs for Board approval for items below this amount. Any purchase or contract exceeding \$25,000 will continue to require competitive bidding and Board approval.

The ordinance also formally updates the Village's bidding requirements to reflect the new threshold. Public works projects, public improvements, and general purchases over \$25,000 must be awarded to the lowest responsible bidder. The Board retains the ability to waive bidding in limited circumstances for the following:

- emergencies
- sole-source purchases
- equipment standardization
- technical constraints
- participation in joint purchasing programs (example: Sourcewell & Suburban Purchasing Cooperative)

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OUTCOME

Overall, this change does not reduce oversight or transparency. Instead, it modernizes the Village's procurement framework, reflects the rising costs of goods and services, reduces administrative delays for smaller purchases, and preserves full Board authority over larger expenditures and major projects, while keeping the Village of Homewood aligned with State law.

FINANCIAL IMPACT

- **Funding Source:** N/A
- **Budgeted Amount:** N/A
- **Cost:** N/A

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Pass an ordinance increasing the amount that triggers formal competitive bidding and prior Board approval from \$20,000 to \$25,000; and increase the Village Manager's authority to approve routine purchases and make minor budget adjustments to \$25,000.

ATTACHMENT(S)

- Bid Threshold Increase Ordinance
- IML Article