



**PURCHASING  
PROCEDURES  
MANUAL**

**REVISED February 29, 2016**

# TABLE OF CONTENTS

## SECTION 1 Organization and Responsibility

### 1.0-1.4 General information

- 1.5 Roles & Responsibilities
  - 1.5.1 City Commission
  - 1.5.2 City Manager
  - 1.5.3 City Attorney
  - 1.5.4 City Treasurer Clerk
  - 1.5.5 Department of Management & Administration
  - 1.5.6 Procurement
  - 1.5.7 MBE
  - 1.5.8 Departments

## SECTION 2 General Procedures

### 2.0 Requisitions

- 2.1 Purchase Orders
- 2.2 Purchase Order Change Orders
- 2.3 Receiving
- 2.4 Vendor Protest
- 2.5 Vendor Debarment
- 2.6 Vendor Performance Evaluations
- 2.7 Vendor Data Base Management

## SECTION 3 Procurement Methods

- 3.1 General Sourcing Information
- 3.2 Identifying Potential Vendors
- 3.3 Small Dollar/Purchase Card Purchases
- 3.4 Non-Competitive Procurements
- 3.5 Competitive Procurements
  - 3.5.1(a) Invitation for Quotes
  - 3.5.1(b) Sealed Invitation for Bids
  - 3.5.1(c) Two-Step Competitive Bidding
- 3.6 Consultant Selection Process
- 3.7 Negotiated Selection without Advertisement
- 3.8 Non-Competitive Negotiations
- 3.9 Cooperative Purchases
- 3.10 Other Governmental Agency Agreements
- 3.11 Police Vehicle Alternative Purchases
- 3.12 Emergency Purchases
- 3.13 Sole Source Purchases
- 3.14 Other Intra-Agency Approvals/Guidelines

## SECTION 4 Quotes

- 4.0 Quotes
  - 4.1 Departmental Quotes
  - 4.2 Invitation for Quotes (Process)
  - 4.3 When to Use Quotes
  - 4.4 Purchasing Quotes
  - 4.5 Evaluating Quotes
  - 4.6 Awarding Quotes
  - 4.7 Vendor Grievances

## SECTION 5 Invitation for Bids (IFB)

- 5.0 Invitation for Bids (IFB)
- 5.1 Roles and Responsibilities
- 5.2 IFB General Procedures
- 5.3 Procedures for Solicitation Development
- 5.4 Transmittal to Potential Bidders
- 5.5 Public Announcement (Advertising)
- 5.6 Pre-Bid /Proposal Conferences
- 5.7 Vendor Contact
- 5.8 Addenda
- 5.9 Submission of Bids
- 5.10 Bid Withdrawal Prior to Opening
- 5.11 Bid modification Prior to Opening
- 5.12 Late Bids
- 5.13 Postponement of Bids
- 5.14 Public Bid Openings
- 5.15 Evaluating Bids
- 5.16 Bid Withdrawal After Bid Opening
- 5.17 Identical Bids
- 5.18 Single Bids
- 5.19 Rejection of Bids After Opening
- 5.20 Posting of Recommendation
- 5.21 Awarding Bids

## SECTION 6 Request For Proposals

- 6.0 Request for Proposals
- 6.1 RFP Process
- 6.2 Determination of Need
- 6.3 Issuing a Request for Proposals
- 6.4 Solicitation Development
- 6.5 Procedures for Solicitation Development
- 6.6 Transmittal to Potential Respondents
- 6.7 Public Announcement (Advertising)
- 6.8 Per-Proposal Conferences

- 6.9 Inquiries
- 6.10 Addenda
- 6.11 Submission of Proposals
- 6.12 Opening of Proposals
- 6.13 Evaluation of Proposals
- 6.14 Posting of Recommendation
- 6.15 Award Approval
- 6.16 Vendor Grievances
- 6.17 Two Step Proposals
- 6.18 CCNA Procurements
  - 6.18.1 Methods of Consultant Selection
  - 6.18.2 Continuing Service Agreements
  - 6.18.3 Design Build Contracts
  - 6.18.4 Contractor Performance Evaluation
- 6.19 Evaluation Committee Guidelines
  - 6.19.1 Appointment
  - 6.19.2 Composition
  - 6.19.3 Roles of Members
  - 6.19.4 Roles of Committee
  - 6.19.5 Roles of Chairperson
  - 6.19.6 Roles of Purchasing Agent
  - 6.19.7 Attendance at Meetings
  - 6.19.8 Initial Committee Meeting
  - 6.19.9 Receipt And Distribution of Proposals
  - 6.19.10 Independent Review
  - 6.19.11 Review by Committee
  - 6.19.12 Identification of Respondents Meeting the Requirements
  - 6.19.13 Checking References
  - 6.19.14 Interviews and Clarifications
  - 6.19.15 Evaluation of Cost Proposals
  - 6.19.16 Final Ranking and Recommendation
  - 6.19.17 Loss of a Committee Member

## SECTION 7

- 7.0 Contracts
  - 7.1 Types of Contracts
  - 7.2 Roles and Responsibilities
  - 7.3 General Procedures
    - 7.3.1 Department Responsibilities
    - 7.3.2 Purchasing Responsibilities
    - 7.3.4 Contract Signature Responsibility
    - 7.3.5 Contract Document Preparation
    - 7.3.6 Contract Execution procedures
    - 7.3.7 Contract Expirations/Renewals

- 7.3.8 Contract Administration
  - 7.3.8.1 General Administration
  - 7.3.8.2 Notice to Proceed
  - 7.3.8.3 Purchase Orders
  - 7.3.8.4 Change Orders
  - 7.3.8.5 Amendments/Modifications
  - 7.3.8.6 Assignments
  - 7.3.8.7 Payment Procedures
  - 7.3.8.8 Contractor Evaluation
  - 7.3.8.9 Obligation to Utilize Contracts

# Organization and Responsibility

## 1.0 **Authority**

City Commission Procurement Policy # 242CP.

## 1.1 **Purpose**

To establish uniform procedures for the procurement of goods and services that is consistent with the City's Procurement Policy # 242CP.

## 1.2 **City Manager Policy Statement**

It is management's intention that these Administrative Procedures for the procurement of goods and services serve as guidelines in the procurement process, providing the course of action necessary to ensure the cost effective acquisition of supplies and services to support daily operations of the City.

It is the individual responsibility of each employee involved in the procurement process to understand the policies, upon which these procedures are based, and the meaning and intent of the procedures themselves.

If there are any questions or concerns relative to these procedures, or the ability of the employee to respond effectively to the requirements of the procedures, then it is the responsibility of the employee to bring such matters to the attention of the Manager of Procurement Services.

## 1.3 **Scope and Applicability**

These procedures apply to all City employees involved in procuring goods and services and related procurement activities on behalf of the City and vendors that do business with the City.

## 1.4 **Ethics in Procurement**

Pursuant to Section 112 Part III of the Florida Statutes, all City employees and vendors who participate in the purchasing program shall adhere to ethical standards. The following summarizes those provisions.

- A. No employee acting as a purchasing official, purchasing manager, or buyer may, directly or indirectly, purchase, rent, or lease any supply or service from a business entity of which the employee or the employee's spouse or child is an officer, partner, director, or proprietor or has a material interest. Nor may a public officer or employee, acting in a private capacity, rent, lease, or sell any supply or service to the City by which they are employed.
- B. No employee shall corruptly use or attempt to use his or her official position or any property or resource which may be within his or her trust, or perform his or her official duties, to secure a special privilege, benefit, or exemption for himself, herself, or others.
- C. No employee shall have or hold any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business as an agency of which the employee is an officer or employee, or that will create a continuing or frequently recurring conflict between the employee's private interests and the performance of the employee's public duties.
- D. No employee who participates through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, or auditing or in any other advisory capacity in the procurement of contractual services shall become or be, while a City employee, the employee of a person contracting with the City.

Employees of Procurement Services shall follow the ethical principles established in the National Institute of Governmental Purchasing Code of Ethics.

## **1.5 Roles and Responsibilities**

### **A. City Commission**

As the overall governing body for the City of Tallahassee, the City Commission shall:

1. Provide overall policy direction related to procurement activities  
Render a final decision on award regarding any action of procurement of supplies or services presented by the City Manager

**B. City Manager**

The City Manager (or designee) shall provide overall administration of procurement activities for the City of Tallahassee. This responsibility shall include:

1. Approving and submitting all award recommendations presented to City Commission by departments under the Manager's organizational authority
2. Approving and awarding all purchases/contracts within designated managerial authority
3. Serving in the capacity of Contracting Officer for the City of Tallahassee
4. Approving and awarding all purchases, contracts and change orders for all capital projects approved by the City Commission in the capital budget.

(Note: ACMs may also approve, on behalf of the City Manager, procurements up to \$250,000 for departments under their preview)

**C. City Attorney**

1. Review various solicitations and contracts to ensure transactions are legally sound and defensible.
2. Assist Procurement Services in the development of standard solicitation provisions and contract terms and conditions to improve the timeliness of both the development and execution of contract documents.
3. Review and make the final determination on all bid protests.
4. Review and approve formal contract documents for form
5. Provide legal advice on various procurement issues
6. Review and render all formal protest decisions.

**D. Treasurer Clerk**

1. Provide assistance and advice to Procurement Services and using departments regarding any applicable insurance/performance security requirements in the procurement process.
2. Ensure all appropriate procurement related documents are retained for the stated term per Florida Statutes 119 and 257.
3. Ensure that all contract documents are properly executed and placed in the City's electronic document management system for viewing by other City personnel Disburse all petty cash funds and provide procedures/guidelines for the issuance of petty cash

4. Safekeeping of all bid, contract performance and protest security instruments
5. Processing of all proceeds received from the sale of surplus equipment
6. Record all Performance Bonds.

**E. Department of Management and Administration (Director)**

The Director of DMA shall serve as the City Manager's designee for --

1. Non-Capital Project Procurement approvals up to \$250,000  
(Note: ACMs may also approve, on behalf of the City Manager for procurements up to \$250,000 for departments under their preview)
2. Capital Project Procurement approvals and awarding all purchases, contracts and change orders for all capital projects approved by the City Commission in the capital budget

**F. Procurement Services**

1. Provide oversight for all procurement activities for the City
2. The Manager of Procurement Services shall serve as the City Manager's designee for approving all administrative procedures to insure consistency and compliance with the purchasing policy
3. Approve exceptions to routine methods of procurement used to acquire goods and services.
4. Process appropriate purchase order requests and issue all formal purchase orders. The Manager of Procurement Services or designee shall approve all purchase orders prior to issuances
5. The Manager of Procurement Services shall serve as the City Manager's designee for contract approval or termination for all Procurement related contracts
6. The Manager of Procurement Services shall review and approve/deny request for bid and/or performance bond waivers (request must be submitted to Procurement Services prior to release of solicitation)
7. Issue and receive all formal bid and proposal documents and work with initiating departments to ensure all specifications are clear, concise, and comprehensive, as set forth in this manual.

8. Issue and receive all written Invitations for Quotes (IFQ) over \$25,000
9. Serve as the lead department in developing citywide term contracts and maintaining an accurate listing of all Term Contracts for department use
10. Work with departments in order to determine any supplies or services that need to be established as Term Contracts to obtain more favorable pricing through volume commitments.
11. Coordinate the bid protest process and serve as a standing member of the bid protest hearing committee
12. Review and approve/deny request for surplus donations in accordance with the City's DMA Administrative Surplus Donation Policy # 612
13. Process all vendor payments in accordance with the State of Florida Prompt Payment Act and City's DMA Administrative Prompt Pay Policy #501
14. Process all travel request and expenditure reports in accordance with the City's DMA Administrative Travel Policy # 602
15. Serve as contract administrator on all city wide contracts and provide assistance to department's in contractual disputes with the vendor
16. Provide procurement training to all procurement system users and department procurement representatives. Training may include at a minimum: PeopleSoft requisition, approval, receiving and purchase card training
17. Set schedule for procurement closeout activities and review and develop the criteria used to decide which purchase order are appropriate to carry over into the next fiscal year.
18. Provide assistance and advice to all City departments/divisions in the planning for all purchasing matters, and assist using departments in the acquisition planning process by utilizing market research tools/publications, prior procurements and other information sources/market data related to the procurement.
19. Keep informed of current trends in purchasing, including prices, market conditions, and new products for the purpose of assisting departments in defining needs and developing specifications.

**G. Minority Business Enterprise (MBE)**

1. Review forthcoming City solicitations to generate awareness by minority firms of the potential purchase and contractual opportunities.
2. Work with Procurement Services to facilitate a better understanding of bidding and contracting procedures among MBE firms.
3. Provide assistance to user departments in identifying minority businesses and working with departments to develop appropriate MBE participation goals.
4. Provide MBE point recommendations for all Construction Bids in excess of \$100,000 and Request for Proposals (RFP) responses.
5. Review city bid and RFP solicitations to ensure that appropriate MBE and/or Disadvantaged Business Enterprises (DBE) language is utilized in accordance with City, state or federal guidelines/requirements
6. Review and approve/deny request for MBE participation waivers on bids/RFP solicitations (request must be made prior to release of the solicitation)

**H. User Departments**

1. Provide to Procurement Services a list of procurement requirements on a semi- annual basis.
2. Ensure adequate funding sources.
3. Determine the quality and quantity of supplies needed and the delivery date required.
4. Develop clear and concise bid specifications
5. Initiate requisitions for the purchase of supplies and services in sufficient time to allow for adequate competition.
6. Work with the MBE Office to determine the appropriate goals for minority businesses.
7. Utilize supplies/services offered on Term Contracts.
8. Be familiar with supplies/services offered internally (i.e. Warehouse, other departments doing the work, etc.).
9. Routinely review open purchase orders to ensure that:
  - Receiving is entered as items are received (regardless of whether an invoice has been submitted to A/P)
  - Due dates are correct (the vendor should be contacted if delivery times are exceeded to obtain a new due date)

- Amount of purchase order is correct, if not, is a change order necessary, or are tolerance levels sufficient to cover the overage
  - Blanket purchases associated with Term Contracts do not exceed the current fiscal year
  - Blanket purchases should comply with Term Contracts and when utilized do not exceed the current fiscal year
  - Completed purchase orders are closed in a timely manner so that any remaining funds can be returned to the department's budget.
  - Request for purchase orders totaling over \$10,000 are submitted to purchasing to obtain competitive quotes/bids
10. Seek and document competition obtained for request for purchases not exceeding \$25,000 and review purchase for possible p-card transaction (complex procurements should be submitted to purchasing for appropriate handling)
  11. Document sole source and single source purchases using the City's Sole Source Justification Form and attaching any documents from the manufacturer/vendor that confirm/support the determination
  12. For emergency purchases, contact department assigned purchasing specialist and submit an emergency purchase form for all purchases exceeding \$1,000

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## Procurement Approval Authority

Authority	Expenditure Approval Level	Designee/ Backup	Execution PO's/Contracts	Check Requests
City	Unlimited	Board approval required	City Manager (or other appointed official)	
City Manager or other appointed officials	<p><b>NON-CAPITAL PROJECTS</b></p> <p>Approves expenditures not to exceed \$250,000.</p> <p>Reviews, approves and recommends expenditures greater than \$250,000 to the City Commission and approves all contracts, expenditures and change orders associated with approved capital projects.</p> <p><b>CAPITAL PROJECTS</b></p> <p>Approves and awards all purchases, contracts and change orders for all capital projects approved by the City Commission in the capital budget</p>	City Manager designees: Director of Management & Administration or appropriate Assistant City Manager or other as assigned by appropriate Appointed Official	<p>City Manager or designee shall approve all grants and inter-governmental agreements.</p> <p>The Procurement Services Manager has been designated signature authority on behalf of the City Manager for all procurement related contracts.</p>	

Procurement Services Manager	Not to exceed \$125,000.	Purchasing Supervisor or other designee	Purchasing Supervisor or other designee	
Supervisor, Purchasing Services	Not to exceed \$50,000.	Designated Supervisor or Purchasing Specialist	Designated Supervisor or Purchasing Specialist	
Department Directors	Not to exceed \$25,000.	Designated Supervisor	Department Director or designated Supervisor (Contracts Only)	Department Director or designated Individual
<b>For Procurement Card expenditures, please refer to Procurement Card Procedure No. 603.</b>				

END OF SECTION 1

## **General Purchasing Procedures**

### **2.0 Requisitions**

The requisition process is designed to inform the purchasing specialist of the End User department's need to acquire a particular good or service. Requisitions may be submitted for any amount, however, department's are encouraged to utilize their purchase cards for all purchases with their purchasing authority. All requisitions shall be entered into the City's financial system (PeopleSoft). Upon receiving a requisition, the purchasing specialist shall review the requisition for completeness.

### **2.1 Purchase Orders**

A purchase order (PO) is a legally binding contract prepared and issued only by the Procurement Services office to describe the terms and conditions of a purchase. In the contracting process the purchase order may function as an offer, an acceptance, a confirmation of an oral agreement or a trigger for periodic performance (release) under an established contract.

### **2.2 Purchase Order Change Orders**

(See Section 7 for Contract Change Order Procedures)

Change orders to PO's whose total value is less than 10% or \$100 (whichever is less) may be requested via e-mail to the appropriate Purchasing Agent. Once the Change order has been budget checked and re-dispatched, it may be received on for payment execution.

Change Orders to PO's that are utilizing Term Contracts with unit pricing which have been previously approved by the City Commission (Per Policy 242CP) do not need additional approvals other than that of the Department.

All other change orders shall be processed utilizing the following procedures

Change orders that increase a PO and the total expenditure remain less than \$125,000 shall be approved by Purchasing. Change order requests may be sent via E-mail.

Change orders that increase a PO and the total expenditure remain less than \$250,000 shall be approved by the City Manager or designee. . Change order requests may be sent via E-mail.

For change orders that increase a PO and the total exceeds \$250,000 and was originally approved by the City Commission, the City Manager or designee may approve an amount up to 25% or \$250,000 in aggregate, whichever is less for non-capital projects. All change orders for capital projects shall be approved by the City Manager. Purchasing will be responsible for obtaining the Manager's approval.

### **2.3 Receiving**

Receiving is the process by which the End user department confirms the acceptable receipt of purchased goods or services. The department shall enter the appropriate receiving information in the PeopleSoft system after the receipt of goods or completion of acquired services, against an existing purchase order. As the process of receiving only confirms the receipt of purchased goods or firm priced services, it is not necessary to obtain an invoice prior to completing this task. All invoices shall be received and entered into the PeopleSoft system by the Procurement Services Accounts Payables unit (unless an exception is approved). Non Firm priced invoices will be sent by Accounts Payable to the user department to verify the invoice has been submitted accurately and can be processed for payment. The Accounts Payables unit shall inform the department of any discrepancy in the amount invoiced and the amount received, and further action shall be discussed with the department representative prior to payment being made.

Please note that invoices received indicating purchases made without the prior issuance of a purchase order (with the exception of p-card transactions which shall be indicated as such), shall be considered a violation of these procedures. Violations shall be recorded and reported to the proper Assistant City Manager.

### **2.4 Vendor Protest**

A vendor protest is a written objection by an interested party to the solicitation or to a proposed award of a contract, with the intention of receiving a remedial result. Vendors meeting the following criteria may file a formal protest on any formal invitation to bid (IFB) or request for proposal (RFP) solicitation (see section 2.4D for protesting quote award recommendations):

- Right to Protest.  
Any prospective bidder or respondent may protest the provisions of a formal solicitation (Invitation for Bids (IFB); Request for Qualifications, or Request for Proposal). or Request for Proposals (RFP).

- Protest of Specifications or Proceedings Prior to Bid Opening  
Any actual or prospective bidder, or contractor, who is aggrieved in connection with the solicitation of a contract or bid, may protest on the grounds or irregularities in specifications or bid procedure.
- Protest of Recommended Award  
Any actual bidder or respondent, who is aggrieved in connection with the evaluation of bids, the evaluation of proposals, or the staff recommendation regarding award of a contract, provided that such bidder or respondent would have been awarded the contract but for the aggrieved action, may protest such evaluation or award recommendation.

**A. Filing a Protest.**

A written protest shall be considered filed, for purposes of this procedure when all related items are actually delivered to and received by the Procurement Services Division. All protests shall be directed to the attention of the Manager for Procurement Services.

1. Protest of Specifications

Any actual bidder or respondent, who is aggrieved in connection with the evaluation of bids, the evaluation of proposals, or the staff recommendation regarding award of a contract, provided that such bidder or respondent would have been awarded the contract but for the aggrieved action, may protest such evaluation or award recommendation.

2. Protest of Recommended Award

A written protest shall be considered filed, for purposes of this procedure when all related items are actually delivered to and received by the Procurement Services Division. All protest shall be directed to the attention of the Manager for Procurement Services.

i For protest related to the specifications or proceeding of a formal solicitation, a formal written protest must be filed no later than 72 hours (excluding weekends and holidays) prior to the scheduled bid opening date. Failure to timely file the written protest including the required protest bond/cashier's check, shall constitute a waiver of such protest.

ii For protest related to the evaluation of bids, evaluation of proposals, or staff recommendation regarding award of a contract, a written notice of intent to protest must be filed with Procurement Services within 72 hours (excludes weekends and holidays) after posting of the intended recommendation regarding award, and a written protest, must be filed with the Procurement Services Division no later

than 5:00 p.m., ET, on the seventh (7<sup>th</sup>) calendar day following the date on which the written notice of intent to protest was filed. A weekend commences at 12:00 a.m., ET, on Saturday and ends at the same time on the following Monday. A holiday begins at 12:00 a.m., ET, on the observed holiday and ends at the same time on the following day. Such written protest shall state, with particularity the facts and grounds upon which the protest is based, and shall include references to applicable laws, statutes, ordinances, policies, or other authority on which the protest is based. Failure to timely file either the notice of intent or the written protest including the protest bond/cashier's check, shall constitute a waiver of such protest.

3. Protest Bond

Any person who files a formal written protest shall post with the Procurement Services Division, at the time of filing the formal written protest, a cashier's check or bond payable to the City of Tallahassee in an amount equal to 1 percent of the City's estimate of the total volume of the contract or \$5,000, whichever is less.

**B. Protest Proceeding Procedures:**

The City Attorney or designee shall consider each protest and shall render a final determination. If the decision of the City Attorney or designee upholds the action taken by the City, then the City shall retain the amount in payment of a portion of the cost and expense, including but not limited to, time spent by City staff in responding to the protest and in conducting the evaluation of the protest. If the decision of the City Attorney or designee does not uphold the action taken by the City, then the City shall return that amount, without deduction, to the person or entity filing the protest.

**C. Stay of Procurement During Bid Protest:**

In the event protest is filed in accordance with the bid protest procedures herein, Procurement Services shall not proceed further with the solicitation or award of the contract until the City Attorney or designee has rendered a written decision regarding the protest or until the City Manager or designee makes a written determination that continuation of the process and award of a contract without delay is necessary to protect the substantial interest of the City.

#### **D. Procedures for Request for Quote (RFQ) Solicitations**

Actual bidders who are adversely affected by the decision or intended decision of a Request for Quote may file a written notice to the Manager of Procurement Services at the Procurement Services Office.

The written protest should state the pertinent facts and grounds upon which the protest is based.

The Manager for Procurement Services shall then review the written protest, along with the solicitation file. The Manager for Procurement Services is responsible for rendering a decision.

#### **2.5 Vendor Suspension and Debarment**

It is the general policy of the City of Tallahassee to award contracts to responsible firms only. Suspension and debarment are discretionary actions that are appropriate means to effectuate this procedure. The serious nature of these sanctions requires that they be imposed only in the public interest for the City's protection, not for purposes of punishment, but a procedure to ensure that the City conducts its business legally with responsible parties, maintaining the integrity of the City's procurement process.

The Procurement Services Manager, in accordance with this policy, shall have authority to suspend a firm, as a temporary measure, or debar a firm from consideration for award of, or participation in, future City contracts. Suspension is generally imposed as a preliminary step to debarment and immediately precludes the firm from participating in City acquisition activities while further investigation. Debarment may be imposed for a period commensurate with the seriousness of the cause(s); however, such period shall not to exceed three (3) years from the date of disbarment. If suspension precedes debarment, the suspension period shall be considered in determining the debarment period. . The suspension shall not be for a period exceeding twelve (12) months.

The causes for suspension or debarment include the following:

- Conviction of the business, an officer, or principal shareholder for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a contract or subcontract.
- Violation of State or Federal antitrust statutes relating to the submission of bids or proposals.

- Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- Commission if any other offense indicating a lack of business integrity of business honest that seriously and directly affects the present responsibility of the firm.
- Inclusion in the State of Florida Suspended and/or Convicted Vendor List.
- Violation of the terms or conditions of a City contract, or a related subcontract, where such violation is so serious as to justify debarment, such as the following:
  - a) Willful failure to perform in accordance with the terms of one or more City contracts.
  - b) A history of failure to perform, or of unsatisfactory performance of, one or more City contracts.
  - c) Failure to honor warranties and guarantees.

The Procurement Services Manager may also suspend a vendor that is an electric, gas, or solid waste customer of the City if, and for so long as, that vendor is delinquent in its utility payments to the City or is delinquent in repayment of a loan from the City. For purposes of determining such delinquency, Procurement Services staff may request a delinquent accounts receivable report from Accounting Services and Utility Accounting (commercial only) on an as-needed basis.

**A. Suspension / Debarment Procedures:**

The following process shall be followed, if the Procurement Services Manager determines that sufficient evidence exists to consider debarring a vendor:

1. Suspension

If the Procurement Services Manager determines there is good cause to debar a vendor, the Procurement Services Manager may suspend that vendor from being awarded any

City contracts or being awarded any subcontracts for work under a City contract.

- a. The Procurement Services Manager must first give the vendor written notice of the proposed suspension, including the reasons and the cause for such suspension, and an opportunity to request a meeting with the Procurement Services Manager to present matters in opposition to such suspension. Following such meeting, if requested, the Procurement Services Manager shall render a written decision with regard to the suspension.
- b. Such suspension shall not exceed 90 days without the approval of the City Manager or designee.

2. Debarment

- a. The Manager for Procurement Services may debar a vendor for any of the causes set forth in this policy in accordance with the following:
  - (1) The Manager for Procurement Services shall give written notice of the proposed debarment to the vendor. The notice will also advise the vendor of the reasons and cause for debarment, the duration of the debarment, and the opportunity, within 15 days following the date of the notice, to request a meeting with the Manager for Procurement Services to provide matters in defense of debarment.
  - (2) If the vendor does not request a meeting with the Manager for Procurement Services, the debarment will become effective on the date set forth in the notice. If the vendor requests a meeting with the Manager for Procurement Services, the Manager will set a time and date for such meeting.
  - (3) The Manager for Procurement Services will consider all matters presented by the vendor at the meeting and, within 15 days following such meeting, will provide written notice to the vendor regarding the matters presented and the final action being taken with respect to

debarment. If debarment is imposed as a final action, the notice will specify the reasons for debarment and the period of debarment. The notice will also advise the vendor of the procedure for appealing that final action.

- b. Once debarment becomes effective, final action by the Manager for Procurement Services can be appealed as follows:
  - (1) Within 10 days following the effective date of the suspension, the vendor must file, with the Manager for Procurement Services, a written notice of intent to appeal the final action.
  - (2) Within 15 days following the date of the notice of intent, the vendor must file a written appeal with the Manager for Procurement Services. The appeal must completely and in detail set forth the factual and legal basis for the appeal.
  - (3) The City Attorney, or designee, shall set a date and time for a meeting on the appeal. Both the vendor and staff can be present and may present all matters relevant to the appeal.
  - (4) The City Attorney, or designee, will issue a decision on the Vendor's appeal within 15 days following the conclusion of the meeting. That decision will be final.

## **2.6 Vendor Performance Evaluations**

### **A. Vendor Performance**

Evaluating vendor performance is essential. Documenting vendor performance provides a trail and proof of notifications between parties. Such documentation is critical, especially in situations in which poor vendor performance is occurring. In order for the City to pursue formal action against a vendor, there must be evidence that the vendor was made aware of problems and were provided the opportunity to resolve the deficiencies. Procurement Services is responsible for maintaining a history of performance on each vendor. Therefore, the following guidelines shall be used when problems arise with vendors.

## B. Disputes with a Vendor

In the event department staff believe that a vendor has not complied with the terms and conditions of the PO or contract, it is important to document all communications with the affected vendor. Department staff should immediately contact the vendor if any of the following occurs after an order has been placed:

(List is not meant to be all-inclusive)

- Late or no delivery
- Unauthorized substitution of items
- Poor quality/workmanship
- Poor service
- Failure to return/respond to a letter or phone call
- Incorrect invoices
- Failure to meet specifications
- Failure/slow replacement of damaged goods
- Unacceptable over/under shipment
- Failure to provide warranty
- Gave false or misleading information

Should a department feel a vendor has not fully performed under the agreed upon terms and conditions, the department should follow the procedure listed below.

The department should initiate contact with the vendor, preferably in writing to resolve the problem. If the department verbally speaks with the vendor, the department should, at a minimum, note the description of the problem, which they spoke with, the date and time of the conversation, and the results or any actions to be taken. It is extremely important to document the problems encountered. This provides support for future performance evaluations, both good and poor.

If the problem is not reconciled, the department should notify Procurement, in writing, of the situation and provide Procurement with all background information and documentation supporting the dispute.

Procurement will then contact the vendor to resolve the problem. If efforts by Procurement to resolve the situation fail, the vendor may be subject to contract termination, suspension and/or debarment.

## **C. Vendor Performance Evaluations**

Evaluating vendor performance is an essential element to the procurement process. Issues that arise during the administration of the PO or contract provide both the department and the Purchasing Agent with valuable information that is used to improve the next solicitation process. The vendor performance evaluation process must be timely, objective and defensible. This information will be used to support future evaluations of the affected vendor(s) as well as to identify improvements to future contracts. Lastly, the data shall be used to identify vendors that have provided quality services for potential long-term relationships.

The "Vendor Performance Evaluation" form (available on OurCity@WORK) should be used by the Contract Administrator (or designee) to support the vendor performance evaluation process. Departments/Project managers should routinely evaluate their vendor's performance prior to entering into an optional contract period and at the end of the contract. The evaluation will be provided to the vendor for response. Both the original comments and the vendor response shall become a part of Procurement solicitation or contract file.

## **2.7 Vendor Data Management**

### **A. General Information**

Procurement Services should be the first contact point for vendors with information about new supplies/services. Additionally, the vendors should contact the Purchasing Agent for inquiries related to upcoming, advertised or open solicitations. Procurement Services is the primary source for bid information and for general City procurement policies and ordering procedures.

Vendors desiring to visit the City should contact Procurement and make an appointment to ensure the vendor receives as much time as required. Procurement may direct vendor representatives to other departments within the City.

### **B. Solicitation Information**

The City's official vendor list for solicitations is maintained by a privately owned, Internet based company known as Demandstar by ONVIA (800) 711-1712 ([www.demandstar.com](http://www.demandstar.com)). Demandstar is responsible for providing all vendor database management, solicitation notice, solicitation list maintenance, and fax on demand services. All solicitations (RFQ's, IFB's, RFP's) are posted on Demandstar webpage.

Solicitations may also be accessed through [www.talgov.com](http://www.talgov.com). For an annual fee, vendors may register with Demandstar to receive automatic notification by email or fax of solicitations in their specified commodity. Solicitation documents and plans may then be downloaded from the Internet, at no additional cost, or mailed to the vendor upon request for a nominal fee that includes printing and postage—members also pay this fee for mailed documents.

Vendors who choose not to register with Demandstar may still request and download documents from the Internet for a fee. Additionally, Procurement Services will also mail solicitation documents to prospective vendors for a fee (per page charge). Vendors may also download documents from Demandstar through the City's web site at [talgov.com](http://talgov.com) for a small fee.

Vendors must direct any inquiries regarding specific solicitations to the Purchasing Agent that is responsible for the quote, bid or proposal. This is to ensure that all vendors are provided with the same information. All telephone conversations are to be considered unofficial responses and will not be binding. The project manager and Purchasing Agent **will work together** to determine what information should or should not be disseminated to prospective vendors. An addendum must be issued when information is to be disseminated to all prospective vendors.

The City has a Vendor Grievance procedure for vendors to use if they feel an individual solicitation process was not fair.

### **C. Vendor Demonstrations**

Vendor demonstrations should be conducted at "NO-COST" to the City. Therefore, vendors desiring to demonstrate products, equipment, and/or services should be required to complete and sign a "Vendor Demonstration/Product Display/Free Service Agreement"(available [upon](#) request from Procurement Services). The requesting department should be responsible for ensuring the form is signed by the vendor and maintained on file with requesting department. As a courtesy, the department requesting the demonstration should invite other departments that may be interested in the product/services to be demonstrated.

### **D. Request to Add Vendor (PeopleSoft)**

All vendors who will be doing business with the City on a regular basis are required to complete a Vendor Information Form. A Purchase Order (PO) or payment cannot be generated until the vendor

information has been entered into the PeopleSoft Financials system and a vendor number has been assigned.

A Vendor Information Form is available on the City's OurCity@WORK. The "signed" completed form or one that has been scanned and sent electronically must be submitted to the attention of Procurement Systems/Procurement Services (fax-891-8796 or mail).

NOTE: A successful vendor, resulting from a formal solicitation (IFB, RFQ, RFP), is not required to fill out the Vendor Information Form. Instead, use the vendor information provided with the vendor's bid/proposal.

1. One-time Vendor Additions

One-time vendors may be added to the system for the purpose of refunds or reimbursement from the City. Departments do not need to obtain a vendor number prior to submitting a check request for these types of payments. Follow the Check Request Procedures outlined in the Accounts Payable Procedures Manual. Temporary or one-time vendors will automatically be purged after a one-year period.

2. Changes to Vendor Information:

Changes to an existing vendor's information, (i.e., proof of address or name change) will not be made without a written request from the vendor, such as the Vendor Information Form, vendor's letterhead, or email and vendor's updated IRS, W-9 Form. The change information shall be submitted to Procurement Services for processing.

Departments may request to add additional locations to an existing vendor file by obtaining the same required information listed in these procedures, and forwarding the information to Procurement Services for processing.

### 3. Archiving of Regular Vendors

The vendor database will be purged in October each year. Vendors that have not conducted business with the City of Tallahassee for a two-year period will be set to inactive in the system. Any vendor that remains inactive for an additional year will be purged. Prior to Procurement Systems staff performing an archiving procedure, a list of vendors (not customers) will be reviewed by Procurement, Contract Administration, and Accounts Payable supervisors. Vendors that should not be archived will be identified and removed from the list of vendors to be purged.

END OF SECTION 2

## Overview of Procurement Methods

### 3.1 General Sourcing Information

The City of Tallahassee spends an enormous amount of money annually on goods and services. As our organization's procurement structure encompasses both centralized and decentralized processes, we utilize a number of procurement methods, both formal and informal, in an effort to improve and streamline the sourcing process.

Sourcing is simply defined as: the acquisition of goods or services by an organization.

During this phase of the procurement cycle, the City issues solicitations to which vendors respond and then a selection is made. There are a number of solicitation methods but the objective of every procurement action is to select the vendor that is responsive to the technical requirements and capable of fulfilling the order responsibly. The City has competitive requirements and thresholds (established in [Procurement Policy 242CP](#)) that must be adhered to. The following sections discuss general topics that must be considered when procuring supplies and services on behalf of the City.

### 3.2 Identifying Potential Vendors

Listed below are a number of references that may be used to find suitable vendors.

The Internet

Telephone Directories

Supplier's Catalogs

General Industrial Registers or Directories

Trade Association Membership Lists

Governmental Agencies

Vendors/Bidders from Previous Solicitations

Note: Departments should, whenever possible, provide Procurement Services with any potential vendors for solicitations.

### **3.3 Small Dollar/Purchase Card Purchases**

Small dollar purchases are defined by the City of Tallahassee as those purchases between \$0 and \$25,000. Departments have been granted the authority to make these purchases independent of Procurement Services with the utilization of the purchase card process. With the exception of sole source purchases and other purchases defined as non-competitive, selection of vendors for commodities and services will be based on the competitive process.

### **3.4 Non-Competitive Procurements –Commodities & Services**

The following contractual services and commodities are not subject to competitive-solicitation requirements:

- .
- i. Purchases less than \$1000
- ii. Artistic services
- iii. Lectures by individuals
- iv. Legal services, including attorney, paralegal, expert witness, appraisal, or mediator services.
- v. Health services involving examination, diagnosis, treatment, prevention, medical consultation, or administration.
- vi. Prevention services related to mental health, including drug abuse prevention programs, child abuse prevention programs, and shelters for runaways, operated by not-for-profit corporations. However, in acquiring such services, the Department shall consider the ability of the vendor, past performance, willingness to meet time requirements, and price.
- vii. Services or commodities provided by governmental agencies (Including universities)
- viii. Items for Resale
- ix. Commercial Advertising
- x. Any other contractual services listed in [FS Section 287.057\(3\)f](#).
- xi. Contractual Services listed in [FS Section 287.055](#).

### 3.5 Competitive Procurements

#### 3.5.1 (a) **Invitation for Quotes (IFQ)**

Department staff shall obtain quotes for items, or for a group of items (one time purchase) between \$1000 and \$25,000.

Procurement services shall obtain written quotes commodities & services over \$25,000 based on the type of item requested, the complexity of specifications or services needed, as identified by the department, and the availability of qualified vendors in the marketplace.

Non-Off the Shelf items may be solicited by this method up to \$25,000.

Off the Shelf items may be solicited by this method up to \$100,000.

Note: Transactions less than \$25,000 are considered small purchases. Departmental employees, as authorized by their department director, may purchase all standard supplies/services less than \$25,000 using the Purchase Card. All purchase card transactions should be made in accordance with the Purchase Card Procedures #603. [Pcard Procedures #603](#)

Detail procedures for obtaining and requesting quotes may be found in section 4.0 of this manual. [Vendor Quote Form](#)

#### 3.5.1.(b) **Sealed Invitation for Bids (IFB)**

Competitive sealed bidding is the required method for acquiring non-off-the shelf supplies and services when the estimated cost is above \$25,000. The supplies or services to be procured must be capable of being described so that bids submitted by potential contractors can be evaluated against the description in an Invitation for Bid (IFB) document. An award is made to the lowest responsive and responsible bidder whose bid complies with the requirements contained in the IFB. Thus, price and price related factors are the most important criteria in determining the vendor who will receive the award.

**i. Use Competitive sealed bidding when:**

Award will be made using only price and price-related factors such as but not limited to: shipping/handling; packaging; bulk pricing; etc

The specifications of the supplies or service to be purchased are explicitly clear

(When you know what you want)

**ii. Do NOT use competitive sealed bidding when:**

It is impossible to estimate costs with a high degree of certainty

Qualifications and other non-price related factors are more important than price

Special tooling or set up costs are major factors

**3.5.1 (c) Two-Step Competitive Bidding**

Two step competitive bidding is a two step process consisting of a Step One qualifying phase, in which bidders submit information to be evaluated and qualified. Qualified vendors will then move on to Step Two, which is the submission of the Cost or Price proposal and award to the lowest responsive bidder.

Detail [Two Step Process](#) bids may be found in section 5.0 of this manual.

**3.5.2. (a) Sealed Request for Proposals (RFP)/Request for Qualifications (RFQ)**

Competitive sealed proposals, better known, as a Request for proposal or RFP, is the required method used for acquiring most professional services above \$35,000. It can also be used for other services and some specialized supplies when the estimated cost is above \$35,000. For consulting services where the fee is less than \$35,000, the City may procure through a negotiated method and award to a single firm on a non-competitive basis.

For professional services that fall under the Consultants' Competitive Negotiated Act (CCNA; ss 287.055) [CCNA Florida Statutes 287.055](#)], special procedures are required for the solicitation development and selection of proposers. Please see the "CCNA Process, Section 6.19" [CCNA Process](#)] for those specific procedures. However, the general process steps, including the determination of a need, advertising the solicitation, solicitation transmittal, addenda, receipt of proposals, etc. are handled in the same manner, and as such, shall be followed according to the process and procedures set forth herein.

A Request for Proposal (RFP) is a process to be used when objective bid specifications or a definitive scope of work cannot be determined, when price and price related factors are not the most important criteria in determining an award or to obtain prices and specifications for different products performing the same function based on performance.

A feature that distinguishes an RFP from an Invitation for Bid (IFB) is the listing of evaluation factors in the solicitation. These factors typically include technical factors (such as the proposed methods of completing the project), but also include other factors (such as financial and human capacity to perform). Thus, IFB's allow for obtaining supplies and services at a "good value" whereas RFP's allow for obtaining supplies and services at the "best value". "Best value" is determined by the department's view of the relative importance of the technical component of the proposal in comparison to the price the department is willing to pay. The following table illustrates the differences between both methods.

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**Competitive Sealed Bids (IFB's) vs. Competitive Sealed Proposals (RFP's)**

<b>Activity Description</b>	<b>Competitive Sealed Bids (IFB)</b>	<b>Competitive Sealed Proposals (RFP)</b>
Statement of Work (SOW)/Specifications	Specific as to the performance/design	End results oriented by statement of work – Proposer must develop and provide solution
Public Opening of Proposals	Yes– all data is available to other bidders and the public	No
Evaluation	Based primarily on responsiveness to technical specifications, price, price related factors and other stated factors	Based on pre-determined technical and <i>quality</i> factors with an evaluation committee assigning weighted values to various parts of each proposal
Discussions	No	Individual discussions with proposers to determine understanding of proposal requirements and/or to negotiate contract terms
Changes	No	Awarded respondent is allowed to resubmit (if necessary) an offer that might change the solution and the price
Award	Lowest Responsive and Responsible (See definition Section) Bidder	<i>Best Value</i> Proposal – not necessarily the lowest price

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i. Examples of when to use competitive sealed proposals include:

- Services fall under the CCNA requirements
- Price is not the sole consideration for award
- Oral or written discussions are necessary with proposers concerning technical/[service level](#) and price solutions
- Comparative analysis of different technical/[service or performance](#) solutions must be made
- Special tooling or set up costs are major factors

RFP's should be used when specialized skills, knowledge, resources, services, or consultants are needed to complete complex studies, develop or revise procedures, conduct audits, or to provide a specialized product or service. Examples include:

- Management consulting services
- Architect and Engineering services
- Feasibility studies
- Software programming or specialized systems
- Community Programs
- Specialized products or Services
- Designed Built Projects

ii. **DO NOT** use competitive sealed proposals when award will be made using only price and price-related factors

iii. Who Can Issue a Request for Proposals (RFP)

Purchasing is responsible for the final determination and issuance of ALL RFP's.

Procurement Services shall concur that the RFP process is the appropriate method to be utilized in the purchase of the needed product or service and that competitive sealed bidding (IFB) is either not practical or advantageous to the City.

iv. Request for Qualifications :

RFQ's are similar to RFP's. In RFQ's firms are judged on their qualifications only for a type of work scope. In RFP's, firms are judged on their qualifications AND a technical/cost proposal for a specific work scope.

Detail procedures for obtaining and requesting RFP's may be found in section 6.0 of this manual.

### **3.6 Consultant Selection Process**

The Competitive Selection method is designed to meet the requirements of FS 287.055, known as the Consultants' Competitive Negotiation Act ("CCNA") [FS 287.055 CCNA](#). This method is used for selection of professional services falling under the purview of that Act. For procurement of professional services which are described in the CCNA, however, which do not meet the threshold amounts described in the Act, and for procurement of all other services ("non-CCNA") described in subsection 3.6 below, where the estimated cost of services is less than \$35,000, the City may procure through a negotiated method and award to a single firm on a non-competitive basis.

This method provides a uniform process for soliciting proposals [Request for Proposals (RFP)], and selection and awarding of contracts to firms to render specified consultant services that fall under the CCNA requirements.

These Selection Procedures shall apply to the selection of professional engineers, architects, registered land surveyors, Landscape Architects, **financial and fiscal consultants, accountants, investment managers, actuarial consultants, risk management and insurance consultants, computer system analysis, and general management consultants.** Unless otherwise specifically stated, the term "professional services" when used in this section shall refer to the foregoing types of professional services. In addition to consulting, the competitive negotiation process may also be used advantageously for the procurement of certain unique services and goods.

### **3.7 Negotiated Selection without Advertisement**

When appropriate, and upon approval by the Manager for Procurement Services, if there are a relatively small number of prospective providers of services whose qualifications and experiences are known to the City, rather than advertising for proposals, the department may use the Selection without Advertisement method. The department initiating the procurement shall prepare a document describing the dimensions of the problem or issue, the objective to be obtained, and any other appropriate terms, conditions, and information.

That department then will provide that document to a specified list of prospective providers and will invite those firms to submit proposals setting forth, among other relevant information, the proposed approach of the proposer (including scope, methodology and work plan), a proposed fee structure, and an estimate of final cost. Based upon the evaluation of the proposals, the director of the procuring department shall submit, to the City Manager, a recommendation for ranking of the proposing firms based on their qualifications to accomplish the work. If the Manager for Procurement Services approves the recommendation, the director shall proceed to negotiate a contract for services with the firm considered to be most qualified. The contract shall be subject to approval by the authorized signatory.

**The Negotiated Selection without Advertisement method shall not be used for professional services subject to the CCNA where the fee exceeds \$35,000 or the project cost estimate exceeds \$500,000.**

### **3.8 Non-Competitive Negotiations**

This method may be used for the following purchases:

Professional Services less than \$35,000 when there is no Continuing Services Agreement (CSA) vendor that can provide service needed

Opportunity buys

Occasionally, the City may wish to take advantage of certain large ticket item equipment purchases, such as a “demonstration” model, offered at a substantial discounted price. The department must provide a justification memo detailing a realized savings for the City, and a written quote from the vendor. The Manager for Procurement Services shall review the justification request and approve any such requests PRIOR to entering into any agreement with a vendor.

#### 1. Sale for resale items

To qualify as a “sale for resale” item, the item must be purchased by a department that is purchasing the item for the purpose of reselling that item. The department must identify all such purchases when submitting “a purchase for resale item(s) to Procurement for processing. The Manager for Procurement Services shall review and approve any such requests.

2. Supply/Service is for experimental trial/testing (Pilot Program)

The department must submit a justification memo to Procurement that identifies the supply/service to be tested, explains why the trial/test is needed, and details the trial/testing process (including cost, specific testing times, project schedule, test procedures, and any evaluation criteria). If possible, a written agreement with the vendor should be obtained. If a written agreement is not in place, there is a certain amount of risk, particularly if the supply being tested is damaged.

For example, the City does not often insure vendor owned equipment, and if damage occurs, a vendor may try to recover for stolen or damaged equipment from the City. Procurement will ensure that the proper precautions are taken to keep the City at minimal risk. For any services that are subjected to a trial/test period, insurance must be obtained. Note that testing a supply or service may or may not preclude the bidding process. The Manager for Procurement Services shall review and approve any experimental trial/testing requests PRIOR to entering into any agreement with a vendor.

3. Supply/Service is purchased from, or when a sale is made to, another unit of government
4. When bidding is not feasible or advantageous to the City
5. All other requests for waiving the formal competitive bidding/proposal process shall be handled on a case-by-case basis. The department shall provide a justification memo to the Manager for Procurement Services for review and approval PRIOR to entering into any agreement with a vendor.

### **3.9 Cooperative Purchases**

Cooperative procurement is a process by which two or more agencies cooperate to purchase supplies or services from the same vendor. Cooperative procurement must be a mutual agreement between the buyers and vendor as well.

Benefits of cooperative purchasing include:

- Reduces administrative costs
- Eliminates duplication of effort
- Lowers prices
- Fosters partnerships within the community

The City may enter into joint agreements with governmental or non-profit agencies for the purpose of pooling funds for supplies or services. Procurement Services shall review and coordinate any cooperative procurement agreements.

Upon review and acceptance by Procurement, the appropriate authority, as defined by the purchasing threshold approval levels, shall approve all agreements. (See Procurement Policy 242 CP) [Procurement Policy 242 CP](#)

### **3.10 Other Governmental Agency Agreements**

The City may take advantage of the agreements discussed below when it is in the best interest of the City as determined by Procurement Services and department staff. The following applies for all other governmental agency agreements used:

1. Procurement Services shall review and approve all expenditures for purchases not acquired using the Purchase Card against these contracts/agreements. It is the department's responsibility to maintain the proper documentation for purchases from these agreements that are purchased using the Purchase Card.

At a minimum, a copy of the contract or the relevant pages will be obtained and forwarded to Purchasing Services to include in the contract database.

2. The department is responsible for submitting the appropriate contract information to Procurement. At a minimum, the following information shall be submitted with the requisition:
  - Contract Type (State, other Government entity, etc)
  - Contract Number (If applicable)
  - Actual Contract document, if not available on the Internet
  - Any other pertinent information

#### **A. State Term Contracts**

The Florida Department of Management Services establishes and maintains term contracts for a variety of supplies and contractual services used in volume by State agencies. In many cases, these prices are also available to local governments.

Most State Term contracts have been competitively obtained and do not have a purchase dollar limit. State term contracts MAY be used in lieu of obtaining quotes. Some contracts have the requirement to get quotes from the firms under the contract, especially for IT hardware.

If this is the case, it will be noted in the contract document. Procurement Services shall ensure that the prices in the contract are consistent with the current market environment.

State Contract information may be obtained online by using the following web address: [www.myflorida.com](http://www.myflorida.com)

1. Click on “Business”
2. Click on “Search” For State Term Contracts
3. Click on “State Term Contracts
4. Locate the contract by Contract Number, Category, or Contract Title
5. Print the following contract information:
  - Certification
  - Price Sheet
  - Ordering Instructions
  - Complete Contract (CHECK WITH PURCHASING SERVICES FIRST or RESEARCH IN EDMS—IT MAY ALREADY BE ON FILE)
6. Provide Procurement with all of the printed documentation above, along with the requisition.

**B. P.R.I.D.E.:**

- Pride Enterprises is a general manufacturing and services management company that provides supplies and services produced in correction facilities throughout Florida. The State of Florida has established various contracts for supplies and services with PRIDE.
- PRIDE supplies and services may be obtained without competition.
- Information may be obtained online by using the following web address: [www.myflorida.com](http://www.myflorida.com)
  1. Click on “Business”
  2. Click on “PRIDE Website”
  3. Click on “Products and Services”
  4. Click on “Online Price List”
    - Find needed product and price

- Print page for reference
- Reference the PRIDE item number when submitting requisition

**C. RESPECT:**

- Respect of Florida is a general manufacturing and services management company that provides supplies and services produced by Florida citizens with disabilities. The State of Florida has established various contracts for supplies and services with RESPECT.
- RESPECT supplies and services may be obtained without competition. [www.myflorida.com](http://www.myflorida.com)

B. Click on “Business”

2. Click on “RESPECT Website”

3. Click on “Online Catalog”

- Find needed product and price
- Print page for reference
- Reference the RESPECT item number when submitting requisition

**D. Other Governmental Contracts; “Piggybacks”:**

Contracts with other governmental entities such as other municipalities, cities, counties, authorities, districts, school boards, etc., may be used upon contract review and approval from Procurement. All contracts must have been competitively obtained and the vendor must agree to the exact terms and conditions specified in the contract.

Procedures:

1. If a department becomes aware of a contract in another agency for any supplies or services that the department needs, a requisition should be entered in to the financial system.

The requisition should contain as much information about the contract as possible including the existing contract number, terms, limitations, etc. A copy of the contract or the relevant pages will also need to be forwarded to Procurement Services by the department.

2. Procurement Services will review the contract to ensure the terms and conditions are acceptable and will contact the agency (if necessary) to ensure the contract was competitively obtained.
3. The department shall contact the vendor to obtain written verification that the same supplies or services may be obtained at the same price and with the same terms and conditions offered to the contracting agency. The written statement from the vendor must be provided to Procurement for the file confirming the stated price as well as delivery terms (the City prefers FOB Destination, Freight Prepaid and Allowed).
4. At a minimum, Procurement will review and confirm the following information to ensure that any “government” contract is acceptable for use:
  - Supply/service identity
  - Effective date of the contract
  - Limitations/Restrictions
  - Minimum Orders
  - Terms
  - Delivery/Shipping Terms
  - Insurance, if applicable
  - Warranties, if applicable

### **3.11 Police Vehicle Alternative Purchases**

Per [Procurement Policy 242 CP](#), Purchases or leases of select vehicles for special operations of the Tallahassee Police Department as specifically identified by the Chief of Police or authorized designee are exempt from the competitive procurement process.

The Tallahassee Police Department shall coordinate all purchases of special vehicles through the Fleet and Purchasing Division’s to ensure proper acquisition.

### **3.12 Emergency Purchases**

An emergency purchase is a purchase of supplies or services when there exists a threat to public health, welfare, or safety; natural unexpected events; accidents; or loss to the City under conditions where the operation of a department or division would be seriously impaired if immediate action were not taken. As such, emergency purchases do not allow time for normal competitive purchasing procedures.

Emergency purchases should be rare and based completely on unforeseeable circumstances. The need for expedited purchases because of poor planning or overlooked requirements are NOT emergencies. The following shall be used as criteria for determining whether an emergency purchase is warranted:

A threat to public health, welfare or safety

Natural unexpected events

Accidents

Loss to the City under emergency conditions

An equipment breakdown threatens to terminate or seriously hinder essential services

All measures reasonably possible under the circumstances shall be taken to assure the maximum cost benefit to the City of the supplies or services procured.

#### **A. Procedures for Emergency Purchases**

During normal business hours:

1. The department shall seek competition, where possible.
2. Buy supplies/services using the purchase card, if possible. If supplies/services cannot be procured by the purchase card, notify Procurement of the emergency situation.
3. Departments shall provide the following to the agent:

Nature of the emergency

Estimated cost of the supplies/services required

Vendor to receive the order

4. Where feasible, emergency purchases greater than \$25,000 should be approved by the City Manager or designee prior to the actual procurement of the supplies or services.

5. Procurement will immediately issue an emergency purchase order to the vendor.
6. The department shall then complete an emergency justification form located on Procurenet at <http://cotweb/citynet/DMA/procurement/Forms/forms.htm>. The Department Director, and the appropriate Assistant City Manager (ACM), if applicable must sign the form, within 24 hours after the occurrence (or after the next City Commission meeting, if applicable).
7. Maintain the form and receipt for records if the purchase is made using the purchase card. If the purchase is made using a purchase order, submit the form to Procurement within 72 hours after the occurrence (or if ratification is required by the City Commission, by the next meeting).

During non-business hours:

1. The Department Director or designee is authorized to make emergency purchases during non-business hours. Departments should make every effort, depending on the circumstances, for competition.
2. Buy the supplies/services using the purchase card, if possible.
3. If the supplies/services cannot be procured by purchase card (if the amount is over \$10,000 or the vendor does not accept purchase cards), negotiate with the vendor to allow for an emergency purchase order to be issued on the next business day.
4. On the next business day, notify Procurement of the emergency situation. Departments shall provide the following to the agent:

Nature of the emergency

Estimated cost of the supplies/services required

Vendor to receive the order

Procurement will immediately issue an emergency purchase order to the vendor.

The department shall then complete an emergency justification form. The Department Director and the appropriate Assistant City Manager (ACM) must sign the form, if applicable, within 24 hours after the occurrence (or if the City Commission requires ratification, by the next meeting).

Maintain the form and receipt for records if the purchase is made using the purchase card. If the purchase is to be made using a purchase order, submit the form to Procurement within 72 hours after the occurrence (or if ratification is required by the City Commission, by the next meeting).

**B. Ratification**

Departments are responsible for ensuring the appropriate approval authority ratifies all emergency purchases within 72 hours (or the next City Commission meeting, if applicable) following the purchase. The purchase amount will determine final approval authority and/or ratification in accordance with the Procurement Policy.

Departments shall prepare all agendas requiring City Commission ratification.

**3.13 Sole Source Purchases**

A sole source procurement is when only one vendor is available for the supplies or services required. Overall, a sole source purchase is not a method of selecting a vendor, but rather a statement that the Department is not aware of any other vendors capable of providing the needed supplies or services.

Sole source purchases shall only be used when the required needs are available from only one known source. The following shall be the criteria used to determine if a sole source purchase is warranted:

- The supply or service has no comparable product AND/OR IS AVAILABLE FROM ONLY ONE VENDOR.
- When a product for service is only available from the manufacture's authorized regional representative
- Patented or copywrited software

A proprietary procurement is also a sole source purchase when the supply or service needed is produced and marketed by one or more vendor that has the exclusive right to manufacture or sell it in a geographical region or territory. Also, proprietary purchases are when the supplies or services needed are necessary to support an existing specific need of a program. The following shall be the criteria used to determine if a proprietary purchase is warranted:

Proprietary: When the supplies or services must be compatible with or is an integral component of existing equipment; or when the supplies or services are covered by a patent or copyright (software); or the use of any other suppliers or services would require considerable re-engineering and/or re-training AND/OR IS AVAILABLE FROM ONLY ONE KNOWN VENDOR.

NOTE: Products that are manufactured only by one company, but are sold through more than one distributor ARE NOT SOLE SOURCE PURCHASES. Competition will be obtained for products having more than one "manufacturer's authorized" representative.

Delivery time from a vendor is NOT valid criteria in determining a sole source purchase.

Departments shall prepare a Sole Source Justification Form for all such purchases greater than \$1,000.

A. Procedures for Sole Source Purchases

For purchases over \$1,000:

1. Complete the sole source justification form. Attach any additional documentation supporting the purchase.
2. If purchase is within the department's purchasing authority, the department may buy supplies/services using the purchase card if applicable. Department must maintain form and receipt for records.
3. If supplies/services cannot be procured by purchase card, or, if the purchase requires additional purchasing approvals based on the established City purchasing approval thresholds, the department shall enter a requisition in the system.
4. Submit the requisition, justification form, and documentation to Purchasing for approval and processing. For all sole source procurements requiring City Commission approval, forms should be submitted to purchasing for verification, prior to submitting the agenda request to the appropriate ACM for approval.
5. Subsequent to receiving appropriate approvals, Purchasing will issue a purchase order and maintain the form for reference.

**NOTE:**

An approved sole source determination will be valid for subsequent purchases of the same supply or service for one year from the original approval date.

The department will review sole source requests processed through the department when the purchase card is used.

Sole source requests processed through Purchasing, which require a purchase order be created, shall be reviewed by Purchasing.

After expiration of the determination, the department must repeat the above procedures.

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### 3.14 Other Intra-Agency Approvals/Guidelines

The City of Tallahassee requires that some supplies/services be facilitated or approved through certain departments prior to purchasing. Departments shall check with these respective departments prior to obtaining the following supplies and services:

<b>Supply/Service</b>	<b>Department</b>	<b>Authority</b>
Information technology resources (phones—except cell phones—faxes, printers, PC's, software, hardware)	Information System Services	Admin. Policy #801 [INSERT HYPERLINK]
Advertising (except legal ads), marketing, and public information campaigns.	Department of Communication	Admin. Policy #507 [INSERT HYPERLINK]
Safety materials (shoes, glasses, equipment)	Human Resources – Safety Division	Admin. Policy #730 [INSERT HYPERLINK]
Hazardous Clean-up	Environmental Services	CM Directive #1102 [INSERT HYPERLINK]
Legal Services	City Attorney's Office	Charter; Prompt Payment Act [INSERT HYPERLINK]
Vehicles, Trailers (lease, purchase)	Public Works/Fleet Maintenance	Admin. Policy #808[INSERT HYPERLINK]
Office Furniture modules (Offices in City Hall and Renaissance Building)	Facilities Management/Building Services	Admin. Policy #662[INSERT HYPERLINK]
Capital project management Roadway Improvements Stormwater Improvements Building Renovations	Public Works/Engineering Division  Public Works/Stormwater Division Facilities Management	Not required, but strongly recommended for those departments without internal expertise.

END OF SECTION 3

## Quotes

### 4.0 Quotes

Quotes, also known as informal competitive bidding, are generally utilized without advertising or requiring sealed proposals or bids to be submitted. This is an efficient way to gain comparative information from suppliers either by phone or in writing. This method of procurement should be utilized if the expected dollar amount for the procurement is between \$1,000 and \$25,000 and may be utilized for purchases up to \$100,000 depending on the complexity of the specifications. Procurement Services must obtain quotes for purchases between \$25,000 and \$100,000. A minimum of three quotes from responsible suppliers should be sufficient. Procurements with less than three quotes should include documents to justify the reason why three quotes could not be obtained.

#### 4.1. Departmental Quotes

4.1.1 Verbal, telephone, or fax or electronic quotes may be obtained from vendors for standard supplies up to \$25,000. It is recommended that all prices be recorded on the Vendor quote form [Vendor Quote Form](#) that will serve as documentation and be maintained for a period of three years.

4.1.2 Written quotes up to \$25,000 should be obtained from vendors for certain supplies or services where the scope of work and conditions are too complex to be communicated by telephone.

4.1.3 Contact Procurement prior to obtaining any quotes for all services to ensure that proper insurance language is included. Department shall obtain and maintain on file the necessary insurance certificates from the vendor prior to the issuance of a purchase order (when appropriate).

4.1.4 Quotes should include, but not be limited to: specifications for the product or work delivery instructions insurance requirements (See section 4.1.3 above) and other pertinent information/requirements. Departments should use a vendor quote form [Vendor Quote Form](#) for all written quotes to ensure that all vendors obtain the same information and have a clear understanding of the City's needs and requirements.

4.1.5 Available vendors may be selected from Demandstar's database by contacting Procurement or other sources. If possible, Departments should rotate vendors to ensure fair and open competition.

## **4.2 Invitation for Quote**

Invitation for Quote (IFQ) is an informal bidding method used to acquire supplies and some standard nonprofessional services when the estimated aggregate cost is between \$25,000 and \$100,000. All IFQ's **MUST** be issued through Purchasing. Departments are not allowed to obtain quotes for any item or group of items greater than \$25,000 without an approved exception from the Procurement Services.

The following characteristics that distinguish informal bidding (IFQ's) from competitive sealed bidding (IFB's):

IFQ's are not required to be:

- Publicly advertised in the Local Newspaper (quotes do not require a minimum number of days to be "on the street")
- Submitted in sealed envelopes
- Publicly opened

IFQ's should be:

- Released through Demandstar
- For procurements between \$25,000 and \$100,000

## **4.3 When to Use Invitation for Quotes**

IFQ's should be used when:

- Supplies and non-professional services are expected to cost less than \$25,000
- Standard supplies (Off the Shelf) are expected to cost less than \$100,000

#### **4.4 Purchasing Quotes**

- A. The following steps are involved in the IFQ process utilized by Purchasing:
1. The department should forward any specifications to be included in the document to Purchasing.
  2. Purchasing will assign a solicitation number and create a solicitation folder to be retained in Procurement Services.
  3. Purchasing will develop the IFQ document and review any specifications to ensure the specifications are non-restrictive.
  4. Departments should provide Purchasing with a list of known vendors to ensure that they are notified of the RFQ.

#### **4.5 Evaluating Quotes**

All quotes shall be evaluated based on the requirements and criteria set forth in the IFQ document. Unless specified otherwise, Purchasing shall select the lowest responsive and responsible vendor(s) that meet the department's requirements.

Responsibilities:

1. Department determines the supplies/services needed and submits applicable specifications to Procurement.
2. Once the quotes are received, the department shall then review the Tabulation provided by Purchasing, and any applicable documentation, to determine if supplies/services offered by vendors are responsive to requirements/specifications.
3. Upon completion of the review, the department shall notify Purchasing in writing, via e-mail, and provide a recommendation for award. If the department does not recommend award to the lowest vendor, written justification must be provided. All awards should be based on the submittal of the most responsive and responsible Vendor.

4. Purchasing shall work in conjunction with the department to determine the lowest responsive and responsible vendor and obtain appropriate approvals, per purchasing authority thresholds, based on the amount of the expenditure
5. Send the Quote Tabulation and award information to Demandstar for posting if necessary.

If the department and the Purchasing Agent disagree on the recommendation and cannot reach a solution, the Manager for Procurement Services and the Department Director (or Designee) may meet to review the reason for the disagreement and resolve the discrepancy.

#### **4.6 Awarding Quotes**

Awards shall be made, within the time for acceptance specified in the IFQ, to the lowest responsive and responsible vendor that complies with the requirements/specifications set forth in the IFQ.

Awards must be approved by the appropriate purchasing approval authority, as defined in Procurement Policy 242 CP [Procurement Policy 242 CP](#)

#### **4.7 Vendor Grievances**

Any actual or prospective vendor who is aggrieved in connection with the solicitation or award may file a protest. See Section 2.4 for vendor grievance procedures.

END OF SECTION 4

## Invitation for Bids

### 5.0 Invitation for Bids (IFB)

Invitation for bids, also known as competitive sealed bidding, is a preferred method of acquiring products, some services and construction for public use in which award is made to the lowest responsive and responsible bidder, based solely on the response to criteria set forth in the IFB and does not include discussion or negotiations with bidders (negotiations may be allowed in a single Bid situation). This is perceived to be the most impartial means of awarding public contracts

Competitive sealed bidding is the required method for acquiring non-off-the shelf supplies and services when the estimated cost is above \$25,000. The supplies or services to be procured must be capable of being described so that bids submitted by potential contractors can be evaluated against the description in an Invitation for Bid (IFB) document. Thus, price and price related factors are the most important criteria in determining the vendor who will receive the award.

- A. All invitations for bids should meet the three principles of public procurement
  - 1. Openness is achieved by requiring public notice and public opening of bids
  - 2. Fairness and efficiency are maintained by awarding contracts to the lowest responsive and responsible bidder
  - 3. Competition is assured by increasing the number of suppliers interested in bidding on public projects.
  
- B. Guidelines for using a competitive sealed bid (IFB) include:
  - 1. The dollar value of the bid is over \$25,000 for items with complex specifications or over \$100,000 for off the shelf items (Complex specifications are those items manufactured to specific City supplied specifications and not a stock vendor specification)
  - 2. Specifications are explicit enough to provide a clear understanding of the product or service to be provided for estimation of cost by the supplier
  - 3. There are qualified and interested suppliers in the market to respond to the bid

4. Circumstances allow for sufficient time to complete the competitive sealed bid (IFB) process

## **5.1 ROLES AND RESPONSIBILITIES**

### **A. Purchasing Responsibilities**

1. Prepare bid documents based upon the specifications submitted by the Department so that the process is open, equitable and fair to all potential vendors.
2. Review solicitation document prior to release for quality assurance
3. Ensure review by Legal/Risk Management/MBE (as required)
4. Issue and advertise the Invitation for Bid (IFB).
5. Ensure that tasks are performed in accordance with the solicitation schedule and significant delays are communicated to the project manager.
6. Receive and secure bids prior to bid opening.
7. Publicly open bids at the date and time specified in the IFB.
8. Prepare bid tabulations for departmental and public review.
9. Provide distribution of copies of the bids to affected departments and/or divisions for review.
10. Analyze and determine the apparent lowest responsive and responsible bidder in conjunction with the Department.
11. Provide copies of the bid responses and Purchasing's analysis of the results to the department for review, if necessary.
12. Post the official recommendation in accordance with applicable FL Statutes and the City's bid protest procedures
13. Approve the award of all purchases/contracts up to \$125,000 to the lowest responsive and responsible bidder meeting the specifications and deemed to be in the best interest of the City.
14. Obtain approval from the Director of Management and Administration or appropriate ACM or other City Manager designee to award purchases/contracts between \$125,000 and \$250,000.

15. Enter all bids and associated documents received from prospective vendors in response to City solicitations into the Electronic Document Management System (EDMS).
16. Prepare Commission Agendas for all City Wide Bids and assist departments in preparing agenda items for other procurement related acquisitions
17. Develop or assist departments in the development of Contract Documents utilizing standard template contracts when appropriate and assignment of Contract numbers in PeopleSoft (PS)

B. Using Departments

1. Submit any required forms and the technical specifications to Procurement in a timely manner.
2. Ensure specifications are clear, concise, complete, equitable and fair to all potential vendors.
3. Provide Company names & fax numbers of interested vendors
4. Reviews solicitation document prior to release to ensure terms and conditions meet business requirements of the transaction
5. Review bids sent to the Department by Purchasing to be certain that the bidders offer meets terms and conditions of the IFB.
6. Provide recommendation for award to Purchasing.
7. Prepare Department specific agenda items for awards in excess of \$250,000

C. Treasurer-Clerk's Office Responsibilities:

1. Maintain on file the bid/contract information in accordance with the City records management policies
2. Maintain on file the original and all subsequent addenda and change orders to contracts resulting from the successful bidder's IFB.
3. Safe keeping of all bonds and record contract bonds as required.
4. Return to vendors any bid bond upon notification from Procurement.

D. City Attorney

1. When requested, review bid solicitations prior to release to ensure appropriate legal requirements have been satisfied.
2. Review and approve all formal contracts as to form.

E. City Commission

1. Approval of award and expenditure for any purchase/contract in excess of \$250,000.

**5.2 IFB General Procedures**

5.2.1 When to Use Competitive Sealed Bidding

- Award will be made using only price and price-related factors as identified in the IFB (Refer to the definitions section for a description of Price Related Factors)
- The specifications of the supplies or service to be purchased are explicitly clear (When you know what you want)
- There are qualified and interested vendors available

2. When NOT to use competitive sealed bidding (IFB)

- Qualifications and other non-price related factors are more important than price
- Special tooling or set up costs are major factors
- The specifications of the supplies or service to be purchased are NOT explicitly clear (When you don't know exactly what you want)

**5.3. Procedures for Solicitation Development**

- A. To ensure the specifications adequately state the need, specifications shall be developed by the department using the appropriate template.

- B. Upon receipt of the Solicitation Information Schedule Form [Solicitation Information Form](#) and Specifications, Purchasing will assign a solicitation number and create a solicitation folder.
- C. Purchasing will develop the IFB document and adhere to the timelines agreed to in the solicitation schedule.
- D. Purchasing shall send out a draft of the IFB to the project manager for concurrence, comments or further discussion.
- E. Purchasing will attempt to turn around bids in seven days or less.

#### **5.4. Transmittal to Potential Bidders**

Once the IFB is finalized, bid information is transmitted to our vendor database management provider for vendor notification. The City does not maintain a vendor database of potential bidders. Our vendor database management provider is responsible for maintaining the database for solicitation purposes.

In general, if the solicitation is construction/engineering related and contains detailed plan sheets/drawings, Purchasing or Departments may facilitate the disbursement of the solicitation document(s) to any interested bidders. Departments shall work with their Purchasing Agent to:

- Notify Purchasing of all Bidders given documents
- Insure all Bidders receive equal documents

#### **5.5. Public Announcement (Advertising)**

Bids shall be publicly advertised by Procurement in the Tallahassee Democrat newspaper and on the Internet at Onvia Demandstar. Announcements in the newspaper should appear twice, on consecutive Sundays, however, Procurement reserves the right to place notices on other days if necessary.

Advertisements may appear in other circulations, depending on the solicitation, and shall be paid for and coordinated by the department.

All advertisements shall include the following: bid number, bid name, due date, pre-bid information (if applicable), any special requirements (if applicable), how to obtain the bid package, and other general inquiry information.

A. Construction IFB Advertisement Requirements:

Pursuant to Section 255.0525 (2) of the Florida Statutes [Florida Statutes 255.0525](#)], construction projects shall have the following constraints relating to advertising:

1. Projects more than \$200,000: First advertisement shall be at least 21 days prior to the established bid opening, and at least 5 days prior to any scheduled pre-bid conference.
2. Projects more than \$500,000: First advertisement shall be at least 30 days prior to the established bid opening, and at least 5 days prior to any scheduled pre-bid conference.

B. Non-Construction and Construction less than \$200,000 IFB Advertisement Requirements:

Non-construction IFB's of a general nature shall be advertised at least 21 days prior to the established bid opening, and at least 5 days prior to any pre-bid conference. However, Procurement reserves the right to modify the bid time for complex projects or projects of an urgent

**5.6. Pre-Bid/Proposal Conferences and Site Visits**

A pre-bid/proposal conference may be necessary as a means of briefing potential bidders and explaining complicated specifications and requirements to them.

- Meetings may be Mandatory or Non-mandatory
- Mandatory meetings shall have sign in sheets to verify that all bidders attended
- All meetings shall be recorded

**5.7. Vendor Contact**

Purchasing shall conduct any discussions regarding technical or other information to ensure all bidders receive the same information. If a vendor contacts anyone other than Purchasing, Purchasing shall be notified immediately to determine whether the information should be disseminated to all prospective vendors to ensure a fair competitive process.

Purchasing shall not furnish any information to a prospective bidder that alone or together with other information may provide an advantage over others.

However, general information that is not prejudicial to other potential bidders may be furnished upon request (e.g.: explanation of a particular contract clause or a particular condition of the schedule in the IFB.)

All telephone conversations are to be considered unofficial responses and will not be binding. Questions, verifying solicitation content, if appropriate, will be responded to in writing and distributed to all vendors in an addendum.

## **5.8. Addenda**

If it becomes necessary to make changes in quantity, specifications, delivery schedules, opening dates, etc., or to correct defects or ambiguities in the IFB, such changes shall be accomplished by issuance of an addendum.

Usually, an addendum is needed if a pre-bid/proposal conference is held to clarify all questions in writing and to ensure all other bidders are informed.

All addenda shall be sent by Purchasing, before the time for bid opening, to all bidders who have received an IFB to ensure that all bidders are bidding on the same basis and have the same information and understanding of the requirements.

Before issuing an addendum to an IFB, the period of time remaining until bid opening and the need to extend this period shall be considered. If only a short time remains before the time set for bid opening, Purchasing and the Department shall consider extending the opening date.

Consultants working on behalf of the City shall NOT issue addenda unless approved by the Procurement Services Manager.

### **Procedures for issuing addenda:**

- If a technical requirement and/or specification change or other clarification is needed, the Department shall submit the proposed changes to Purchasing.
- Purchasing shall review the changes and determine, with the Department, if a change in the opening date is needed. If the bidders require additional time, the addendum should extend the opening date for a reasonable period of time.

- Purchasing shall develop an addendum and transmit to the City's vendor database provider for transmission, as soon as possible, to all bidders who have received an IFB.

If time does not permit the transmission of an addendum via the City's vendor database management provider in sufficient time prior to bid opening, Purchasing may elect to phone or fax the addenda to all of the bidders. Generally, the bid opening date should be moved. However, depending on the materiality of addendum content, the bid opening date may not be moved.

## **5.9 Submission of Bids**

Bids should be filled out, executed, and submitted in accordance with the instructions in the IFB. Bids must be submitted in "sealed" envelopes or other packaging. "Unsealed" bids will not be accepted.

Bids shall be submitted so that they will be received in the office designated in the IFB not later than the exact time set for opening of bids.

Facsimile bids shall not be considered unless permitted by the solicitation.

Bids received before the date/time scheduled for receipt of bids shall be immediately date/time stamped and logged in by Procurement Services staff in accordance with procedures established by Procurement Services. Bids shall not be opened or viewed (unless opened for identification purposes), and shall be placed in a secured area until the date/time scheduled for opening.

## **5.10 Bid Withdrawal Prior to Bid Opening**

Bids may be withdrawn by written notice received at any time before the date/time set for receipt of bids. The notice shall specifically identify the bid to be withdrawn and shall be signed by the bidder. A bid may be withdrawn in person by a bidder or its authorized representative if, before the exact time set for receipt of bids, the identity of the person requesting withdrawal is established and the person signs a receipt for the bid.

Bids may also be withdrawn via facsimile if received before the exact time set for receipt of bids. Bids not withdrawn in person shall be returned to the bidder via certified mail. All withdrawals shall be documented by Procurement Services staff and the original receipt shall be maintained in the solicitation file.

The withdrawal of a bid will not exclude the contractor to participate on other current or future City solicitations.

### **5.11 Bid Modification Prior to Bid Opening**

Bids may be modified, if written notice is received in the office designated in the IFB no later than the exact date/time set for opening of bids. The written notice shall specifically identify the bid to be modified and shall be signed by the bidder.

The identity of the person requesting the modification must be established and the person shall sign a receipt for the bid.

The bid modification must be received in a sealed envelope and the envelope must identify the IFB number and should state the enclosed in the envelope is a bid modification. Any bid modification shall be clearly marked and include the bidder's initials next to each correction.

Modifications of bids received after the exact date/time specified in the IFB shall not be considered. However, a late modification of the lowest Responsive and Responsible bidder that makes its terms more favorable to the City will be considered at any time it is received and may be accepted.

### **5.12 Late Bids**

Any bid received in the office designated in the IFB after the exact time specified for receipt will not be accepted and considered unless it is received before Contract Execution is completed and it is determined by Procurement Services that the late receipt was due primarily to City mishandling after receipt.

The time and date stamp or annotation placed on the bid envelope by Procurement shall be conclusive as to the time of receipt.

Late bids that are delivered by mail (USPS or a commercial carrier) will be considered non-responsive. The time/date shall be annotated and recorded in the logbook.

Late bids that are hand delivered will be considered non-responsive. The time/date shall be annotated and recorded in the logbook for reference; however, the bid will not be accepted.

### **5.13 Postponement of Bids**

A bid opening may be postponed, even after the time scheduled for bid opening, when emergency or unanticipated events interrupts normal City processes so that conducting the scheduled bid opening is impractical (e.g., fire, flood, other weather conditions, etc).

When a bid opening postponement is determined, an announcement of the postponement shall be publicly posted in the Procurement Services Office and an addendum to the IFB shall be issued.

The time specified for receipt of bids will be extended to the same time specified in the IFB on the first work day on which normal City processes resume or to such date and time as may be provided by Procurement Services in a written notice to bidders.

#### **5.14 Public Bid Openings**

A member of the Procurement staff shall publicly open all bids on the date and time specified in the IFB. The purpose of a public bid opening is to acknowledge all bids received. No award will be made or implied at that time.

Information stated and recorded on the Bid Tabulation Sheet shall include:

- A. Bidder's name
- B. Bidder's city and state location
- C. Acknowledgement of Bid Security (if applicable).
- D. Minority Business Enterprise (MBE) goals (if applicable).
- E. Acknowledgement of any addendum to solicitation (if applicable).

Review of bids or related documents will NOT be allowed at the bid opening. Bidders wishing to review or request copies of bids or tabulation sheets may do so by making an appointment with the appropriate Purchasing Agent. Bid tab sheets may also be found on the City's bid information website.

#### **5.15 Evaluating Bids**

All bids shall be evaluated based on the requirements and criteria set forth in the IFB document.

Responsibilities

1. Department:
  - a) Determines supplies/services offered by bidders are responsive to specifications/Statement of Work (SOW) of the IFB
  - b) Documents reasons, based on specifications, why a bidder should not be considered responsive
  - c) Notifies the Purchasing Agent of the final evaluation of specifications/SOW
  - d) Determines reasonableness in price

2. Procurement:
  - a) Develops Draft Bid Tabulation Sheet
  - b) Determines if bidders are responsive and responsible
  - c) Waives or rejects any irregularities or informalities with bids
  - d) Rejects Individual bids and/or cancels IFB
  - e) Sends preliminary Bid Tabulation to Demandstar
  - f) Sends Draft Bid Tabulation Sheet and Copy of Bid(s) to department for review, if necessary
  - g) Posts Official Bid Tabulation Sheet

B. Evaluation Procedures

1. As soon as possible after bid opening, Purchasing shall evaluate the bids using the guidelines in this section to determine the apparent low responsive and responsible bidder. (Refer to Section 5.15 D)
2. After analysis, Purchasing shall prepare a Preliminary Bid Tabulation Sheet and forward it to the Department as well as posting it to the web site. When requested by the Department, or when Purchasing determines that there are significant details of the bids needing Departmental review, copies of the bids received should also be sent to the Department
3. The department shall then review the Bid Tabulation and documentation to be certain that the bidders offered supplies/services meet the specifications/statement of work in the IFB.
4. Upon review, the department shall notify Purchasing in writing via e-mail of the department's award recommendation, which shall be based on the bid specifications as stated in the IFB.
5. If the department does not concur that the low bidder is acceptable, written justification must be provided to the Purchasing Agent.
6. If the department and Purchasing disagree on the recommendation and cannot reach a solution, the Procurement Services Manager and the Department Director may meet to review the reason for the disagreement and resolve the discrepancy.
7. Purchasing will then complete and verify an "Official" Bid Tabulation Sheet to be publicly posted on the City's Official Bids Tabulation Posting Board in City Hall and shall remain posted for seventy-two hours (72), excluding weekends and holidays.

### C. Evaluation Review Times

In order to ensure a fair and efficient process, the following evaluation guidelines should be adhered to:

1. Procurement Review -- Purchasing should take no more than five (5) business days to analyze the bid and forward the recommended apparent low and responsive bidder to the department for review.
2. Department Review – The department should take no more than five (5) business days to review the specifications and Draft Bid Tabulation and concur or dispute the apparent low and responsive bidder to Procurement for award.

NOTE: If the IFB review is expected to take longer than the above times, Procurement or the department should notify the other immediately of the reasons for the delay.

### D. Determination of a Responsive/Responsible Bidder

1. A *responsive bidder* is one who has submitted a bid that conforms in all material respects to the requirements stated in the IFB. The following are some reasons a bidder may be declared non-responsive:
  - a) Failed to complete the required forms and certificates
  - b) Changed delivery terms
  - c) Did not offer supplies or service that complied with the specifications
  - d) Did not offer prices in accordance with type of contract specified (i.e. firm fixed price)
2. A *responsible bidder* is one who has the capability in all respects to perform fully the contract requirements, and has the experience, integrity, perseverance, reliability, capability, facilities, equipment, and credit that will assure good faith performance. The following are some reasons a bidder may be declared not responsible:
  - a) Not a regular dealer or supplier of the supplies or services offered
  - b) Does not have the ability to comply with the required delivery or performance schedule

- c) Does not have a satisfactory record of performance
- d) Bidder is currently debarred or suspended
- e) Does not have the necessary facilities, organization, experience, technical skills, or financial resources to fulfill the requirements

E. Elimination of Individual Bids After Opening

The Procurement Services Manager is responsible for rejecting individual bids under the following conditions.

1. Individual bids may be rejected when the bid does not conform to:
  - a) The essential requirements of the IFB.
  - b) The applicable specifications including approved substitutes or alternates.
  - c) The delivery schedule or permissible alternates stated in the IFB.
  
2. Individual bids may be rejected when the bidder imposes conditions that would modify requirements of the IFB or limit the bidder's liability to the City in which the bidder:
  - a) Fails to state a price but qualifies it as being subject to "price in effect at time of delivery".
  - b) Requires that the City must determine that the bidder's product meets applicable City specifications.
  - c) Limits rights of the City under any contract clause
  
3. Individual bids may be rejected for price related factors when:
  - a) It is determined that the bid is unreasonable as to price. Unreasonableness of price includes not only the total price of the bid, but the prices for individual line items as well.
  - b) Prices for any line items or sub line items are materially unbalanced.

F. Determination of Reasonableness of Price

The Department in conjunction with the Purchasing Agent shall determine that the prices offered are reasonable, especially if only one bid is received.

G. Economic Price Adjustments

When the City proposes an economic price adjustment, evaluation shall be as follows:

1. If an IFB contains an economic price adjustment clause and no bidder takes exception to the provisions, bids shall be evaluated on the basis of the given prices without the allowable economic price adjustment being added.
2. When a bidder increases the maximum percentage of economic price adjustment stipulated in the IFB or limits the downward economic price adjustment provisions of the IFB, the bid shall be rejected as non-responsive.
3. When a bid indicates deletion of the economic price adjustment clause, the bid shall be rejected as non-responsive since the downward economic price adjustment provisions are thereby limited.

H. Prompt Payment Discounts

Prompt payment discounts shall not be considered in the evaluation of bids. However, any discount offered will become a part of the award, and will be taken if payment is made within the discount period specified by the bidder.

I. Local Preference

All bidders, who qualify, may have their bid evaluated as a "Local" Vendor under City Ordinance 99-OC-0059AA [City Ordinance 99-OC-0059AA](#). To qualify, the business must be located in Leon, Wakulla, Gadsden, or Jefferson County.

J. Minority Business Bid Incentive (Non-Capital Projects)

In accordance with Regulation No. 916.5.72(d), City of Tallahassee Administrative Policies & Procedures, all bidders who are certified with the City's Minority Business Enterprise (MBE) Office as Minority vendors, may receive a preference on a sliding scale ranging from 10% on bids of less than \$20,000 to 1% on bids of \$1,000,000 or more. Please refer to the City's MBE Policy for additional details.

K. Charitable Contributions

Ordinance 06-0-47AA was repealed by City Commission on February 12, 2014. Therefore, Charitable Contributions shall not be considered for awards.

L. Minor Informalities or Irregularities

A minor informality or irregularity is one that can be corrected or waived without being prejudicial to other bidders, and has no material affect on the price, quality, quantity, or delivery schedule for the requirements.

Procurement Services may, depending on the circumstances, either allow the bidder an opportunity to correct any deficiency resulting from a minor informality of irregularity in a bid or waive such deficiency, if advantageous to the City.

#### **5.16. Bid Withdrawal after Bid Opening**

Bidders are permitted to withdraw erroneous bids after bid opening if the bidder submits a written request for withdrawal. However, bidders are not permitted to withdraw bids for solicitations requiring proposal guarantees (bid bonds).

A bid withdrawal shall not be permitted if the bid withdrawal would result in

Care shall be taken to ascertain that the tie bidders meet all requirements as outlined in the bid document before declaring a tie bid situation.

the award of a contract to its partner, or a corporation or business venture owned by, or in which the bidder has a substantial interest.

#### **5.17. Identical Bids**

Tie bids found to be equal in all respects and tied in price will be resolved by:

1. Awarding to the vendor in accord with Local Preference Ordinance or MBE Preference OR
2. The flipping of a coin. At a minimum three purchasing professionals shall witness the toss. A note to the file shall document when, where and who witnessed the action.

#### **5.18. Single Bids**

When only one bid is received, an announcement should be made at the public bid opening to that effect and it is not to be opened until, Purchasing has examined the situation to determine the cause for the lack of response.

Prior to opening the single bid the Purchasing agent in conjunction with the Department shall determine whether or not there is justification for re-bidding. If not, then written permission to open the single bid shall be requested from the Manager for Procurement Services.

After review by the Purchasing agent, the Procurement Services Manager shall determine what, if any, remedial action should be taken. If it is determined that the price submitted is fair and reasonable and that other bidders had a reasonable opportunity to respond, the bid may be awarded to the sole proposer. The Procurement Services Manager with concurrence from the Department may reject the bid. If the supply/service

is determined to be a sole source/single the Procurement Services Manager shall direct Purchasing and/or the Department to negotiate the best value for the City.

**5.19. Rejection of Bids After Opening**

After the bids have been opened and evaluated, award may be made to the responsible bidder who submitted the lowest responsive bid, unless there is a compelling reason to reject all bids.

Bids may be rejected before award, but after opening, when the Procurement Services Manager determines it to be in the best interest of the City.

**5.20. Posting of Recommended**

The Official Bid Tabulation Sheet referencing the recommended bidder(s) to receive award(s) will be posted for review and will remain posted for seventy-two hours (72), excluding weekends and City observed holidays (Refer to Section 21.7.11)

**5.21. Awarding Bids**

Awards must be approved by the appropriate purchasing authority defined in Appendix A of the City Commission Procurement Policy #242 CP

END OF SECTION 5

## Request for Proposals

### 6.0 Request for Proposals

#### General Information

Request for Proposals, also known as competitive sealed proposals is the required method used for acquiring most professional services above \$35,000. It can also be used for other services and some specialized supplies when the estimated cost is above \$35,000. For consulting services where the fee is less than \$35,000, the City may procure through a negotiated method and award to a single firm on a non-competitive basis (See Negotiated Selection without Advertisement - Section 3.2)

For professional services that fall under the Consultants' Competitive Negotiated Act (CCNA; ss 287.055), special procedures are required for the solicitation development and selection of respondents. Please see the "CCNA Process, Section 6.19" for those specific procedures. However, the general process steps, including the determination of a need, advertising the solicitation, solicitation transmittal, addenda, receipt of proposals, etc. are handled in the same manner, and as such, shall be followed according to the process and procedures set forth herein.

The Request for Proposal (RFP) method is used when the requirements are not clearly known, are qualitative rather than quantitative, or when the procurement official is looking for a solution to a problem, and/or the selection of a supplier is being made not only on price but on a combination of non-price criteria (See Definition of Non-price Criteria in Section 6.4.2.4.

#### 6.0.1. Invitation for Bids (IFB's) vs. Request for Proposals (RFP's)

A feature that distinguishes an RFP from an Invitation for Bid (IFB) is the listing of evaluation criteria in the solicitation. These criteria typically include technical criteria (such as the proposed methods of completing the project), and other quality based criteria (See Section 6.4.2.4. Thus, IFB's allow for obtaining supplies and services at "Lowest Cost" whereas RFP's allow for obtaining supplies and services at the "best value". "Best value" is determined by the department's view of the relative importance of the technical component of the proposal in comparison to the price the department is willing to pay. The following table illustrates the differences between both methods.

Activity Description	Competitive Sealed Bids (IFB)	Competitive Sealed Proposals (RFP)
Statement of Work (SOW)/Specifications	Specific as to the performance/design	End results oriented by statement of work – Respondent must develop and provide solution
Public Opening of Proposals	Yes – all data is available to other bidders and the public	No
Evaluation	Based primarily on responsiveness to technical specifications, price, price related criteria and other stated criteria	Based on technical and <i>quality</i> criteria with an evaluation committee assigning weighted values to various parts of each proposal
Discussions with respondents	No	Yes
Changes	No	Awarded respondent is allowed to resubmit (if necessary) an offer that might change the solution and the price
Award	Lowest Responsive and Responsible (See definition Section) Bidder	<i>Best Value</i> Proposal – not necessarily the lowest price

#### 6.0.2. When to Use Request for Proposals

Examples of when to use competitive sealed proposals include:

- Services fall under the CCNA requirements (See Section 6.18)
- Price is not the sole consideration for award
- Oral or written discussions are necessary with respondents concerning technical and price solutions
- Comparative analysis of different technical solutions must be made
- Special tooling or set up costs are major criteria

RFP's should be used when specialized skills, knowledge, resources, services, or consultants are needed to complete complex studies, develop or revise procedures, conduct audits, or to provide a specialized product or service.

Examples include:

- Management consulting services
- Architect and Engineering services
- Feasibility studies
- Software programming or specialized systems
- Community Programs
- Specialized products or Services

**DO NOT use competitive sealed proposals when award will be made using only price and price-related criteria**

**6.1 RFP Process**

The following steps are involved in the RFP process:

- 6.1.1 Determination of a Need
- 6.1.2 Preparation and development of a Request for Proposal document with criteria for evaluation (Solicitation Development)
- 6.1.3 Development and appointment of an Evaluation Committee
- 6.1.4 Publicly announcing the RFP (Advertising)
- 6.1.5 Pre-Proposal Conference is held, if necessary
- 6.1.6 Addenda to RFP is released, if necessary
- 6.1.6 Submission of proposals by respondents
- 6.1.7 Opening of proposals
- 6.1.8 Evaluation of proposals by an evaluation committee using the criteria set forth in the RFP and scoring/ranking of the proposals, and if necessary, create a short list of respondents (Required if subject to CCNA per City Policy 242CP)
- 6.1.9 Interviews with the short-listed respondents, if necessary
- 6.1.10 Scoring/ranking of the short-listed respondents by an evaluation committee, if necessary (Final Ranking)
- 6.1.11 Award and negotiate a contract(s) with the finalist(s) whose proposal(s) best conforms to the RFP and is the most advantageous to the City

**6.2 Determination of a Need**

The staff time put into developing and issuing the RFP, as well as evaluating the proposals is significant. Therefore, before any effort is expended to begin the RFP process, particularly when professional services are needed, departments while not required to, are recommended to comply with the following, in their respective order, to ensure other alternatives are not available prior requesting an RFP.

**6.2.1 In-House Expertise**

See Admin. Proc. #691, Procurement of Consulting Services, for the proper procedures in determining if staff is available to accomplish the requirements

## 6.2.2 Current CSA Contracts and Term Contracts

The City may enter into an agreement with a current contractor/consultant to provide for the services needed provided that it is of a similar scope or product line. Departments should contact Purchasing to ensure that no agreement already exists that may be utilized to accomplish the needed tasks.

## 6.2.3 Other Agencies

An effort should be made to determine if the knowledge and skills of existing state agencies can be called upon to solve the problem or satisfy the need. Departments should also consider using State University System expertise to accomplish the task. Also, a study may already exist that was conducted for another agency that may be used or modified to meet the City's needs.

## 6.3 Issuing a Request for Proposals

Purchasing is responsible for the final determination and issuance of **ALL** RFP's.

Before any RFP (with the exception of CCNA mandated RFP's) is developed or issued, the Department is encouraged to ensure that the above methods have been evaluated and that an outside source is the only available option. The Manager for Procurement Services or designee shall concur that the RFP process is the appropriate method to be utilized in the purchase of the needed product or service and that competitive sealed bidding (IFB) is either not practical or advantageous to the City.

## 6.4 Solicitation Development

The RFP must provide potential respondents with a clear understanding of the requirements as well as provide instructions on how to submit the proposal.

### 6.4.1 Responsibilities (Who Does What)

#### 6.4.1.1 Departments are responsible for:

- Determining need of professional services or specialized product
- Developing an RFP Schedule with the Purchasing Agent
- Developing a Statement of Work (SOW) and requirements using proper template [IFB Service Statement of Work](#) and then sending to Procurement for inclusion in the solicitation document
- Developing, with assistance from Purchasing, the evaluation criteria (if non-CCNA)

- Providing Purchasing with any potential respondents (including name, contact, fax number, or email address)
- Reviewing solicitation document prior to release identifying addenda requirements

#### 6.4.1.2 Purchasing is responsible for:

- Developing an RFP Schedule with the Department (Project Manager)
- Assist the Department with developing the evaluation criteria (if non-CCNA)
- Reviewing and incorporating the SOW in the solicitation document
- Developing the solicitation document
- Ensuring review of RFP by Legal/Risk Management/MBE/Others, if necessary
- Issue Addenda

#### 6.4.2 RFP Format

Request for Proposal (RFP) documents, with the exception of RFP's falling under the CCNA requirements, shall be prepared using the format outlined below to the greatest extent practical.

See "CCNA Process, Section 6.18" for the RFP solicitation development and RFP process procedures.

The RFP format should consist of the following minimum sections:

- BACKGROUND, OVERVIEW, and GOALS
- STATEMENT OF WORK
- RESPONDENT RESPONSE FORMAT
- EVALUATION PROCESS/CRITERIA
- ADMINISTRATIVE INFORMATION

##### 6.4.2.1 BACKGROUND, OVERVIEW, GOALS

May include, but not limited to, the following:

- General explanation of the City's involvement in the project
- Need for the project
- Specific goals or results to be achieved
- Site Location
- Other historical and background information

#### 6.4.2.2. STATEMENT OF WORK

The most important section of the RFP is the Statement of Work (SOW), as it is the foundation of the development of any resulting contract. The contents of the SOW are not only specifications, but also a well thought out, complete effort to clearly define all elements of the project. The SOW is both results and procedures oriented. The RFP will require a clear statement of the goals and objectives of the project, which may include, but are not limited to:

- Work to be completed
- Listing of supplies/items to be furnished
- Schedule of activities
- Completion date of the project
- Personnel to be utilized

When developing the SOW, the Project Manager, should consider the following for incorporation in the RFP:

- Personnel available to be assigned by the City to work with the contractor.
- Responsibility for printing of any reports by contractor or City.
- The utilization of new research and/or analysis of existing data.
- Whether the City and/or the contractor is to provide data.
- Travel and per diem charges to be included in the total cost or to be paid in addition to total cost. If travel is to be paid as an extra addition, then the City's Travel procedures and Cost shall be applied (See Travel and Training Policy #602).
- If surveys are to be taken, specify whether the contractor develops the questionnaires, conducts the surveys, correlates the data, makes recommendations based on the survey, determines the population to be surveyed, etc.
- City's responsibilities (i.e. will we provide clerical help, liaison personnel, computer time, equipment and programming aid, office space, copy service, telephone service, etc.
- Documentation of the quality of the work
  - i. Define Quantity. If training is to be provided by the contractor, specify how many people are to be trained, how often, where they are located, etc. If presentations are to be made, specify how often, how many, where, duration, etc. If reports are to be required, specify how many, how often, extent of detail, etc.
  - ii. Define Quality. A contract can only be monitored and enforced to the degree that the City has defined the responsibilities of the contractor. Many conflicts may be avoided "up front" by carefully defining the work to be completed by the contractor.

The City may then monitor the contractor's performance when reports, schedules, and specific tasks are clearly specified.

#### 6.4.2.3 RESPONDENT RESPONSE FORMAT

Respondents should be given detailed instructions as to the manner and format that should be followed in responding to the RFP (i.e. tabs, table of contents, etc). Also, a specific outline makes it easier for committee members to compare proposals. Proposal responses may include, but are not limited to:

- A detailed explanation of how the respondent is to respond to the RFP.
- Proposed methods needed to complete the project.
- A time schedule for the project
- Personnel to be assigned to the project.
- Experience of the respondent relevant to the project
- References
- Experience of the personnel that will be assigned
- Financial stability
- Total cost (If not CCNA)

The information that is requested of the respondent in their proposal is the only information that will be evaluated. Therefore, it is important that whatever information is submitted be directly related to the stated evaluation criteria. Do not ask for information that will not be evaluated. The committee may request additional clarification of a proposal (i.e. Correspondence or presentations).

#### 6.4.2.4 EVALUATION PROCESS/CRITERIA

A general description of the evaluation process, in addition to the evaluation criteria must be included in the RFP.

An evaluation committee will judge the merits of proposals received in accordance with the evaluation criteria stated in the RFP.

Failure of the respondent to provide any information requested in the RFP may result in disqualification of the proposal or at a minimum, a loss of points in a given category of evaluation.

The sole objective of the evaluation committee will be to recommend the respondent whose proposal(s) is most responsive to the City's needs.

The proposal(s) with the highest score(s) will be recommended for award.

## i. QUALIFICATIONS

Qualifications include any requirements for previous experience of a similar nature and necessary resources required to complete the requirements which may be considered by the committee. Respondents may be asked to provide references as part of their proposal. Qualifications may specify resources necessary for the specific performance requirements of the contract, including equipment, personnel, or technological resources.

Evaluation criteria for qualifications may include:

- Experience and Ability -- The relative experience of all personnel on the team in the planning, design, and administration of the project; and the abilities and qualifications of the company and their proposed staff in relation to the specific requirements of the project and their ability to accomplish the project.
- Past Performance – The past performance of each company and their sub-consultants (if any) shall be evaluated. Past performance for up to the past five (5) years may be considered.

## ii. TECHNICAL APPROACH

The technical approach to the requirements is usually the most critical evaluation area since this area specifies the respondent's plans for meeting the need.

The project manager, with assistance from Purchasing, shall develop the criteria that will best reflect the quality measures necessary to achieve the goals and objectives of the RFP.

Evaluation criteria for technical approach may include:

- Understanding of the Project and Project Requirements – The understanding that the respondent demonstrates as to the requirements and needs of the project, including an evaluation of the thoroughness demonstrated in analyzing and investigating the scope of the project.
- Approach and Method – The respondent's approach to the project and the methods to be used to plan, design, and administer the project.

iii OTHER CRITERIA

Other evaluation criteria that may need to be included in the RFP include, but are not limited to the following. The department is encouraged to consult with Purchasing to determine and develop evaluation criteria to be included in the RFP. Purchasing may assist in development of evaluation criteria that may be reviewed and used, if appropriate.

- Minority Business Enterprise  
Consult the MBE office to determine if MBE participation is required and the number of points to be assigned.

iv. PRICING (Not for use under the CCNA)

Cost must be used as one of the evaluation criteria and weighted according to its importance. Thirty percent of the total points are encouraged as a goal. A description of the method used to calculate points for each respondent and the maximum number of cost proposal points should be stated in the RFP.

When evaluating price the preferred method is that the maximum number of points should be given to the lowest cost proposal. When possible, respondents who are not the lowest may be awarded points using the following calculated method that awards points proportionately from the second lowest cost proposal to the highest:

$$\frac{\text{Lowest Proposed Cost} \times \text{Maximum Total Points Allowed}}{\text{Second Lowest Proposed Cost (then Third, etc.)}}$$

v. ADMINISTRATIVE INFORMATION

Includes, but not limited to, the following Standard “Boiler Plate” information:

- anticipated schedule of activities
- how, when, and where proposals will be accepted
- material ownership, confidential/proprietary information clauses (if applicable)
- Pre-proposal conferencing, if necessary
- Contact information
- Insurance information

**6.5 Procedures for Solicitation Development**

- 6.5.1 Once the department determines a need, and ensures that the need cannot be obtained through in-house expertise or an existing contract/agency (See Section 6.2), and obtains approval from the appropriate Assistant City Manager or Appointed Official to use the RFP process, and approve the committee.
- 6.5.2 Statement of Work (SOW)/Specifications should be developed by the department using the appropriate template and forward to the Agent for incorporation into the solicitation document.
- 6.5.3 The Project Manager shall establish an evaluation committee, subject to approval from the appropriate Assistant City Manager or Appointed Official. See “Evaluation Committee Guidelines, Section 6.20”.
- 6.5.4 Purchasing will develop the RFP document using the RFP Schedule and SOW.
- 6.5.5 Purchasing will consult with Legal/Risk Management/MBE, when necessary, and have the RFP document reviewed for appropriate content.
- 6.5.6 The RFP will be forwarded to the department for a final review before release.

**6.6. Transmittal to Potential Respondents**

Upon Quality Assurance approval, RFP information is transmitted for vendor notification by Procurement in the same manner as Competitive Sealed Bids.

## **6.7. Public Announcement of RFPs (Advertising)**

RFP's shall be publicly advertised in the same manner as Competitive Sealed Bids. At a minimum, the first advertisement should be a minimum of three (3) weeks prior to the deadline for submission.

## **6.8. Pre-Proposal Conferences and Site Visits**

A pre-proposal conference may be necessary as a means of briefing potential respondents and explaining complicated statements of work and requirements to them. Although not required, it is highly recommended that at least a non-mandatory pre-proposal conference be held for any RFP. There may be occasions where a mandatory pre-proposal conference is necessary. As such, any proposal submitted by a respondent that did not attend the mandatory pre-proposal conference, shall be rejected.

## **6.9. Inquiries**

Prospective respondents should be allowed to make written inquiries concerning the information in the RFP to obtain clarification of the requirements. If a deadline to submit written questions is identified in the schedule of activities section in the RFP, no inquiries will be accepted after that date. Questions should be submitted to the Purchasing Agent, who will then review with the Project Manager. If needed, an addendum will be mailed to all prospective respondents responding to all questions submitted regarding the RFP.

## **6.10. Addenda to RFPs**

Addenda shall be issued in the same manner as Competitive Sealed Bids.

## **6.11. Submission of Proposals**

RFP's shall be submitted in the same manner as Competitive Sealed Bids.

## **6.12. Opening of Proposals**

All RFP's shall be opened by Purchasing staff on the date specified in the RFP

Review of proposals or related documents will NOT be allowed until posting of the Final Ranking

## **6.13. Evaluation of Proposals and Recommendation of Award**

See the "Evaluation Committee Guidelines" Section 6.19

**6.14 Posting of Recommended Award**

The Official Scores/Ranking Sheet referencing the recommended respondent(s) will be posted for review in the Procurement Services Division (City's official posting area) and will remain posted for seventy-two (72) hours, excluding weekends and holidays (See Section 2.4).

**6.15. Award Recommendation Approval**

Awards must be approved by the appropriate purchasing authority designated, as defined in Appendix A of 242 CP.

**6.16. Vendor Grievances**

Any actual or prospective respondent who is aggrieved in connection with the solicitation or award may file a protest. See Section 2.4 for vendor grievance procedures.

**6.17 Two Step Proposals**

In some instances, a two-step process may be more beneficial for both the City and the Consulting Firms. An example might be when written proposals may require an inordinate amount of expense to interested firms.

Step One of the process would be the submittal of Qualifications only. Qualification criteria shall be scored using evaluation points specified in the solicitation document. A shortlist of the most qualified firms will be identified by the Selection.

Step Two of the process would then consist of those short listed firms (Step One) submitting their technical proposal, which shall be evaluated in the same manner as described in Section 6.4.2.4.

**6.18 CCNA Procurements**

These procedures are consistent with the Consultants' Competitive Negotiation Act ("CCNA"), Florida Statute (FS) 287.055

These procedures provide a uniform process for soliciting proposals [Request for Proposals (RFP)], and selection and awarding of contracts to firms to render specified consultant services that fall under the CCNA requirements, Consultants which are not effected by the CCNA, and other goods and services that the acquisition of which lends themselves to the RFP process.

This section shall apply to the selection of professional engineers, architects, registered land surveyors, Landscape Architects, Unless otherwise specifically stated, the term "professional services" when used in this section shall refer to the foregoing types of professional services. In addition to consulting, the competitive negotiation process may also be used advantageously for the procurement of certain unique services and goods.

#### 6.18.1 Methods of Consultant Selection

This method will be used for selection of professional services falling under the purview of the CCNA as well as other services (non-CCNA) described in the third paragraph above. Where the estimated cost of services is less than \$35,000, the City may procure through a negotiated method and award to a single firm on a non-competitive basis.

##### 6.18.1.1 Request for Proposal (RFP for Professional Services)

###### Solicitation Development:

The steps used for developing the solicitation document and the selection of Respondents shall follow those in Section 6.4

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6.18.1.1.1 Standard Evaluation Criteria and Recommended Rating Points

Standard Evaluation Criteria and Recommended Rating Points
<p><u>Experience and Ability:</u> The relative experience of all professionals on the team in the planning, design, and administration of the project; and the abilities and qualifications of the proposing firm and their proposed staff in relation to the specific requirements of the project and their ability to accomplish the project. Rating: 0-30 points</p>
<p><u>Past Performance:</u> The past performance of each respondent and their sub-consultants, if any, shall be evaluated and a relative rating assigned. Past performance during the past five (5) years will be considered and shall include all work performed by the firm. In evaluating past performance, members of the Evaluation Committee may take into consideration their own personal knowledge of a firm's past performance. Other factors that may be considered are Percent of projects successfully completed on schedule and within budget. Number and cost of change orders brought about because of fault of the consultant firm Thoroughness of plans for bidding, construction and operation of the project. This measure shall be documented from specific past performance records of the firm provided by previous clients. Rating: 0-25 point</p>
<p><u>Minority Business Enterprises (MBE):</u> A narrative description /plan of how the MBE goal of 12.5% fee participation will be met or exceeded during the course of the project. The Plan should explain the work scope designated for each MBE firm, the duration of and phases in which the assignments occur and how the assignments coordinate within the overall project plan. (2 Pages Maximum for Plan) For each MBE firm on the team, a MBE Utilization Form along with their Certification documents shall be provided. If there are no MBE firms on the team, a Determination of Good Faith Effort Shall be provided. Recommended Rating 0-10 points (5 points for the Plan and 5 points for Minority Participation of 12.5% or greater)</p>

Understanding of the Project and Project Requirements:

The understanding that the respondent and its sub-consultants demonstrate as to the requirements and needs of the project including an evaluation of the thoroughness demonstrated in analyzing and investigating the scope of the project, ability to meet project time schedule, comprehension of technical aspects of project, and ability to interpret and communicate project scope.

Rating: 0-25 points

Approach and Method:

The respondent's approach to the project and the methods to be used to plan, design and administer the project, the respondent's previous success in obtaining desired results with its proposed approach and methods; whether the proposed plan, design and administration incorporates industry accepted practices for similar projects; and whether the approach and method achieves the project goals and objectives.

Rating: 0-20 points

Fee Quotation (This category is applicable to non-CCNA firms only.):

When requested by the department initiating the procurement action, the RFP shall require submission of a detailed statement of fees including direct work hour rates for each class of staff, overhead, profit, and reimbursable costs and expenses such as travel, telephone, and report publication. Recommended rating: 0-25 points

6.18.1.1.2 Respondent Response Format (CCNA – Specific Projects Only – Not for CSA's)

The RFP shall require each respondent to provide, at a minimum, the following information:

- An overall approach to the problem.
- Specific work planned with phases and work steps to complete the assignment.
- A time schedule for the project (if applicable).
- Documentation detailing management capacity and system for coordinating the project.
- Documentation of the experience of the respondent and its sub-consultants, if any, in performing similar work, including resumes of the staff members to be assigned to the project.

#### 6.18.1.1.3 Required Forms

The following documents may be required as qualifying data for professional selection:

- Standard Form 330: These forms may be obtained from the U.S. Superintendent of Documents, Public Documents Department, Washington, DC 20402; or from Federal regional offices. The City will not furnish the SF 330.
- Professional Registration Certificates: A reproduction of the current professional registration certificate(s) of the respondent and their sub-consultants, if any, is required for the services offered and must be in the name of the firm offering said services. Firms must be properly registered at the time of application to practice their profession in the State of Florida and with the appropriate State Board governing the services offered.
- Business Registration: Evidence that the respondent, if required to do so, is properly registered with or chartered by the Florida Department of State.
- Professional Qualification Supplement: A Professional Qualification Supplement (PQS) describing the nature and objective of the consulting assignment and providing background information regarding the proposer and sub-consultants, if any, that will be useful in assessing the qualification, capabilities, adequacy of personnel, past record and experience of those firms.

#### iv. Evaluation and Ranking of Proposals:

- The Committee shall rate the proposers, in the same manner listed in the "Evaluation Committee Guidelines" Section 5.2, unless otherwise indicated in the RFP:
- Interview Criteria. This rating shall serve as a basis for determining whether a firm is selected for further evaluation, including interviews if conducted. If oral interviews are to be conducted, the Evaluation Committee shall determine the firms to be interviewed. If oral interviews will be conducted, a minimum of three (3) firms shall be interviewed, unless fewer qualified firms submit proposals.

- The Evaluation Committee shall set the time, date and place for the interviews; determine the time limit placed on each firm; and, at its option, identify specific topics and/or questions to be covered with each proposer. Telephone and letter of confirmation, to each firm invited for an interview, shall communicate such information.
- Firms may be given the option of making their presentation in person OR by telephone conference call, with or without supporting visual media (i.e., PowerPoint presentation or other visual aid, provided prior to the meeting). The physical or telephone conference presentation shall be structured the same (publicly noticed with date, time, location, etc) and in accordance with FL Statute governing public meetings.
- Following interviews, the Committee may re-evaluate all subjective categories.
- Price (This category is for non-CCNA procurements only)  
Awarding of points for fee quotations shall be limited to firms that are included in the final ranking.
- Should the Committee choose not to conduct interviews, the preliminary ratings shall become final.

v. Evaluation Committee Recommendations:

- Based upon evaluation results, the Evaluation Committee shall prepare a listing of the firms most qualified to accomplish the work and the final point totals for those firms. The sum of the ratings for all applicable evaluation categories shall constitute the final total for each firm. The Evaluation Committee rating of the firms shall constitute the Committee's recommendation to the appropriate approval authority. Recommendations shall be posted, in accordance with Section 5.2 of these procedures.
- Awards must be approved by the appropriate purchasing authority defined in Appendix A of the City Commission Procurement Policy #242 CP.

vi. Contract Negotiation:

- Upon approval of the ranking, the Department shall proceed to negotiate a contract for services with the top ranked proposer. Negotiations shall include compensation considered to be fair, competitive, and reasonable.

- Should the department be unable to negotiate a satisfactory contract with the firm considered most qualified, the department may proceed, in like manner, to negotiate with the second most qualified firm.
- Should the department be unable to negotiate a satisfactory contract with that firm, the department may proceed, in like manner, to negotiate with the next most qualified firm. At any point that negotiations with a firm prove to be unsuccessful, the department may recommend terminating negotiations with ranked firms and proceeding in some other manner, subject to approval by the City Manager.

#### 6.18.2 CONTINUING SERVICE AGREEMENTS (CSA)

- A "continuing service agreement" is a type of contract that provides for furnishing of specified types of professional services for a stated term, in accordance with FS 287.055 and Subsection 5 above, between the City and a firm whereby the firm provides professional services to the City for unspecified projects (in the Request for Proposal) in which construction costs do not exceed \$500,000, for study activity when the fee for such professional service does not exceed \$35,000, or for work of a specified nature (in the Request for Proposal) meeting the requirements of Table 157. For work of a specified nature, continuing contracts may be entered into without limitation on professional fees as long as the work involves recurring and/or routine professional engineering services, as described in the Continuing Services Table, Appendix B of policy 242CP
- When professional fees for recurring and/or routine services of the following general categories, for a single project, exceed the following fee thresholds, the project shall not be performed on a continuing contact basis, but must be separately advertised for competitive selection pursuant to FS 287.055 and applicable City policy #242. See 242 CP for service categories and fee thresholds.
- In addition, for non-recurring and/or non-routine services, as defined in Policy 242CP Appendix. B Tables, services shall not be performed on a continuing contract basis, but must be separately advertised for competitive selection pursuant to FS 287.055 and applicable City policy #242.

## 6.18.3 DESIGN BUILD CONTRACTS

### 6.18.3.1 Definitions

- A "**design-build contract**" means a single contract with a design-build firm for the design and construction of a City construction project.
- A "**design criteria package**" means concise, performance-oriented drawings or specifications of the City construction project. The purpose of the design criteria package is to furnish sufficient information to permit design-build firms to prepare a bid or a response to the City's request for proposal, or to permit the City to enter into a negotiated design-build contract. The design criteria package must specify performance-based criteria for the City construction project, including the legal description of the site, survey information concerning the site, interior space requirements, material quality standards, schematic layouts and conceptual design criteria of the project, cost or budget estimates, general operating and maintenance costs, life-cycle costs, present worth evaluations, electric energy operating costs, design and construction schedules, site development requirements, provisions for utilities, stormwater retention and disposal, and parking requirements applicable to the project.
- A "**design criteria professional**" means a firm who holds a current certificate of registration under FS Chapter 481 to practice architecture or landscape architecture or a firm who holds a current certificate as a registered engineer under FS Chapter 471 to practice engineering and who is employed by or under contract to the City for the providing of professional architect services, landscape architect services, or engineering services in connection with the preparation of the design criteria package.

### 6.18.3.2 Design Build Process

- 6.18.3.2.1 The design criteria package must be prepared and sealed by a design criteria professional employed by or retained by the City.

If the City elects to enter into a professional services contract for the preparation of the design criteria package, then the design criteria professional must be selected and contracted with pursuant to the requirements for qualification-based selection of consultants described elsewhere in Section 287.055, Competitive Negotiation.

- 6.18.3.2.2 A design criteria professional who has been selected to prepare the design criteria package is not eligible to render services under a design-build contract executed pursuant to the design criteria package.
- 6.18.3.2.3 The City shall award design-build contracts by the use of a competitive proposal selection process as described in this subsection, or by the use of a qualifications-based selection process pursuant to the requirements described elsewhere in Section 287.017, Competitive Negotiation for entering into a contract whereby the selected firm will subsequently establish a guaranteed maximum price and guaranteed completion date.
- 6.18.3.2.4 If the City elects the option of qualifications-based selection, during the selection of the design-build firm the City shall employ or retain a licensed design professional appropriate to the project to serve as the City's representative.
- 6.18.3.2.5 As a minimum, the competitive proposal selection process shall consist of the following:
- The preparation of a design criteria package for the design and construction of the City construction project.
  - The qualification and selection of no fewer than three design-build firms as the most qualified based on the qualifications, availability, and past work of the firms, including the partners or members thereof.
  - The criteria, procedures, and standards for the evaluation of the design-build contract proposals or bids, based on price, technical, and design aspects of the City construction project, weighted for the project.
  - The solicitation of competitive proposals, pursuant to a design criteria package, from those qualified design-build firms and the evaluation of the responses or bids submitted by those firms based on the evaluation criteria and procedures established prior to the solicitation of competitive proposals.

- Consultation with the employed or retained design criteria professional concerning the evaluation of the responses or bids submitted by the design-build firms, the supervision or approval by the City of the detailed working drawings of the project; and evaluation of compliance of project construction with the design criteria package by the design criteria professional.
- In the case of public emergencies, the City Manager may declare an emergency and authorize negotiations with the best-qualified design-build firm available at that time.

#### 6.18.4 CONTRACTOR PERFORMANCE EVALUATION

- 6.18.4.1 Within ten (10) workdays after completion of any professional services or upon termination of a contract for such services, the Department shall complete a "Contractor Performance Evaluation" form. One (1) copy of the completed form shall be transmitted to the Procurement Services Office and one (1) copy to the contractor.
- 6.18.4.2 Completed evaluation forms from departments and letters of response to evaluations from Contractors submitted to the Procurement Services Office should be included in the applicable contract file maintained at the Procurement Services Office. These documents shall be considered public information and are subject to review by future selection committee's for the purpose of evaluating the contractor's past performance on City awarded contracts.

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## **6.19 EVALUATION COMMITTEE GUIDELINES**

These guidelines are to be used as an aid in the evaluation process. They may be adjusted at the discretion of the Manager for Procurement Services, depending on the solicitation.

The chairperson of each evaluation committee must review the guidelines carefully to be certain that the committee will operate within these constraints. If changes to the guidelines are desired, the chairperson shall contact the Purchasing Agent, who may (providing the changes desired do not conflict with existing policies and procedures) adapt the guidelines to the specific needs of the solicitation. No changes to the guidelines may be made without the advance approval from Purchasing. Committee members also must be familiar with the instructions in the guidelines that apply to their part of the evaluation process.

### **6.19.1 Appointment**

The project manager PRIOR to the development and release of an RFP will establish an evaluation committee. The committee members will be subject to approval by the City Manager, appropriate ACM or appointed official.

### **6.19.2 Composition**

The committee should consist of knowledgeable personnel with background in the primary discipline of the subject project or services. However, committee members may be from other governmental agencies and/or from private industry and/or a qualified citizen, depending on the project. The Manager for Procurement Services reserves the right to include an individual from the Purchasing section on any evaluation committee.

The committee shall be made up of:

- 6.19.2.1 A chairperson. (Usually, the chairperson is the project manager.)
- 6.19.2.2 At least two or more voting members, in addition to the chairperson
- 6.19.2.3 Any non-voting members designated to advise the committee.

### **6.19.3 Roles of a Committee Member**

Each evaluation member shall:

- 6.19.3.1 Be unbiased.
- 6.19.3.2 Follow the RFP evaluation process.
- 6.19.3.3 Be familiar with the RFP.
- 6.19.3.4 Independently and objectively evaluate all proposals according to the RFP criteria.

- 6.19.3.5 Attend all meetings and interviews
- 6.19.3.6 Be free of any conflicts of interest pertaining to the RFP or potential respondents.
- 6.19.3.7 Not discuss any proposals with any other person or evaluation member, except in public committee meetings.

#### 6.19.4 Roles of an Evaluation Committee

- 6.19.4.1 Recommend the respondent whose proposal(s) is most responsive to the City's needs.
- 6.19.4.2 Conduct the evaluation and selection process in strict accordance with the procurement rules concerning RFP's
- 6.19.4.3 Review the responses received and compare the content of each against only those criteria established in the RFP.
- 6.19.4.4 Select the finalist(s) that most meet the award criteria.
- 6.19.4.5 Participate in any interviews/presentations with the finalist(s).
- 6.19.4.6 Investigate the performance of the respondent listed as references (reference checks)
- 6.19.4.7 Rank the finalist(s).
- 6.19.4.8 Ensure the recommendation is without bias, and is legally defensible.
- 6.19.4.9 Give to the chairperson all public records for inclusion in the Purchasing solicitation file in the event the committee is challenged. (Note, Committee members should refrain from putting their names on any forms.)
- 6.19.4.10 Committee members shall not discuss any aspects of the proposals or proceedings until after final ranking has been posted
- 6.19.4.11 Provide information and assistance to the Procurement and Legal departments in the event a protest is made.
- 6.19.4.12 Refer to the following Sections 6.19.5 for further detailed responsibilities.

#### 6.19.5 Roles of the Chairperson of an Evaluation Committee

- 6.19.5.1 Follow the rules of the RFP process and guidelines.
- 6.19.5.2 Select, in conjunction with Procurement, evaluation committee members.
- 6.19.5.3 Obtain supervisor's approval of each committee member to serve on the committee.
- 6.19.5.4 Chair and coordinate all committee meetings and interviews, if necessary.
- 6.19.5.5 Advise Purchasing of all meetings for public postings a minimum of three working days prior.
- 6.19.5.6 Review the Evaluation Committee Guidelines and then review with the committee to ensure each member understands their roles and responsibilities in the RFP process.

- 6.19.5.7 Review the RFP evaluation criteria with the committee to ensure each member understands what each criteria means for scoring and evaluation purposes.
- 6.19.5.8 Explain the importance of each member exercising independent judgment.
- 6.19.5.9 Combine the data from the individual rating scores and rank the proposals in order of their highest total score.
- 6.19.5.10 Determine a final ranking from the committee.
- 6.19.5.11 Refer all inquiries or questions regarding the RFP from respondents to the Purchasing Agent.
- 6.19.5.12 Forward all ranking sheets and other public documentation with recommended vendor(s) for award and provide one official copy and one electronic copy to Purchasing, signed by the chairperson only..
- 6.19.5.13 Obtain award approval from the appropriate authority.

#### 6.19.6 Roles of the Purchasing Agent

- 6.19.6.1 Provide copies of this section to the Chairperson and committee members.
- 6.19.6.2 Publicly post all meetings.
- 6.19.6.3 Place relevant information pertaining to the committee in the solicitation file.
- 6.19.6.4 Advise the Chairperson and committee members on any process issues.
- 6.19.6.5 Serve as liaison between the committee and respondents concerning any questions or clarifications resulting from review of the proposals.

#### 6.19.7 Attendance at Committee Meetings

Each voting member is expected to attend all evaluation meetings and interviews.

Committee members who do not participate in scheduled meetings, which cannot be re-scheduled or fulfill their independent review of the proposals, will be removed from their appointment.

NOTE: In accordance with Florida Statute 286.011, all group meetings, subsequent to RFP opening, are to be public meetings open to the public at all times. The chairperson shall be responsible for providing all meeting information (date, time, location, reason for meeting, meeting minutes) to Purchasing, no less than seventy-two (72) hours, excluding weekends and holidays, prior to the scheduled meeting.

## 6.19.8 Initial Evaluation Committee Meeting and Review of the RFP

6.19.8.1 An initial evaluation committee meeting should be held prior to the release of the RFP, if possible. The Chairperson is responsible for the following at the meeting:

- Review the committee guidelines and rules with the committee
- Distribute a copy of the RFP, along with the evaluation form for discussion of the scoring and review process, as well as the RFP contents.

6.19.8.2 The only award criteria that can be used in the evaluation process are those included in the original RFP. These criteria must be applied to the responses without change, deletion, or expansion. The use of any evaluation criteria other than those listed in the solicitation is prohibited.

## 6.19.9 Receipt and Distribution of Proposals

Proposals will be received and distributed by the Purchasing section. Purchasing will open all proposals and perform an initial review to ensure responses were submitted in the proper format. The Agent will then distribute copies of the proposal to the Chairperson for distribution to committee members. If pricing was asked for, the Purchasing Agent shall maintain the unopened sealed cost envelopes in a secured area until needed by the committee.

## 6.19.10 Independent Review by Committee Members

The Chairperson will then distribute copies of the proposals received to all members. Each member independently reviews and scores the respondent's responses (before meeting or discussing the responses with any other committee members) and inserts their scores for each evaluation criteria as specified on the evaluation form.

During the independent review, each committee member should make any notes of their observations directly on the evaluation form so that they may defend any challenges to their scoring during the full committee review. Members should not place their name on any part of the evaluation form.

## 6.19.11 Review by Full Committee

Once each committee member has completed their independent review, the full committee meets and discusses the scores assigned by each member during the independent review.

During the committee discussion, each member usually acquires a better insight into the qualifications of each respondent from hearing the other committee members' reasoning behind their scores. It is not unusual to have an adjustment in a committee member's independent scoring of a respondent because of this added insight. If, because of the discussions, a committee member feels that a score for one or more entries requires adjustment, the adjusted score replaces the original score.

The committee chairperson retains the original copies of all members' evaluation forms. They will be forwarded to Purchasing with the committee's final award recommendation.

#### 6.19.12 Identification of Proposals Meeting the RFP Requirements

Purchasing identifies the respondents meeting the mandatory requirements of the RFP and those who do not qualify for further consideration (preliminary ranking). Proposers are then ranked by their individual total scores, the highest scoring proposer being first. The committee may then select the top ranked finalists for further evaluation (final ranking). When more than four or five finalists are considered; the tasks of interviewing, reference checks, conducting oral presentations, and making the final selection become cumbersome. Respondents with the lowest scores are eliminated from further consideration at this stage (shortlisting).

#### 6.19.13 Checking References

The reference checks of the shortlisted firms selected for interview usually are made by one or more committee members (see reference forms at end of this Section). During the reference check, obtain information such as how the respondent performed for the organization, the extent and type of claims filed, problems that occurred during the contract term and how they were resolved, and the respondents' reliability and level of professionalism. Questions shall be uniform for all respondents.

The individual responsible for conducting the reference checks reports to the committee on the results.

#### 6.19.14 Interviews and Clarifications

It is good practice, no matter what the scoring spread between the finalists, to interview firms. Always keep the process competitive for as long as possible.

Oral interviews will be conducted under the following guidelines:

- 6.19.14.1 All members of the evaluation committee shall be present during oral presentations.
- 6.19.14.2 All shortlisted respondents must be afforded equal opportunity to respond in an oral interview.
- 6.19.14.3 Time limits for interviews/presentations will be equal in length.
- 6.19.14.4 Interviews are to be coordinated, conducted, and controlled by the chairperson
  
- 6.19.14.6 The committee members then must question the shortlisted firms during the interview on any unfavorable areas of the reference check. Always request clarification from the respondent about any unfavorable references obtained. The shortlisted firm must be given the opportunity to defend any adverse allegations made by former clients.

Note that committee members are **prohibited** from directly contacting the respondents concerning questions on a proposal. Members should notify the chairperson, who will then contact Purchasing for a written request for clarification to be sent to the respondent. Purchasing will request that the respondent send a written response/explanation to all questions. All written responses shall then be distributed to the evaluation committee. If a respondent contacts a committee member they shall refuse to converse with them and refer then to Purchasing.

The written submission can include responses to questions generated by the committee during their initial evaluation meetings an estimated budget, personnel staffing charts, schedules, and hours to be spent on the project by principals.

#### 6.19.15 Evaluation of Cost Proposals (If non-CCNA)

If points are assigned for cost, the respondents shall be rated by the method of evaluating cost (should be a mathematical formula) that was included in the RFP. The chairperson shall be responsible for evaluating the cost proposals. The cost proposal should only be evaluated after the technical proposal has been scored. This helps to prevent a biased perspective when evaluating the technical services.

#### 6.19.16 Final Ranking of Proposals and Recommendation for Award

After interviews, committee members complete their evaluation forms. Each Individuals points are then averaged by the chairperson to achieve a final ranking. All subjective preliminary points/criteria may be re-scored following presentations/interviews if the committee so chooses.

No decisions shall be made on ranking or selection of finalists until all of the committee members have read and scored all of the responses.

The recommendation for award is submitted to Purchasing with the final ranking sheet signed for by the chairperson. Individual committee names are to be included on the form. The chairperson shall also submit an electronic copy of the form to Purchasing for posting purposes.

#### 6.19.17 Loss of a Committee Member

Prior to the preliminary ranking the City Manager or designee may appoint a replacement member.

After the preliminary ranking the committee chair shall inform Purchasing of the excused member. The committee then continues with the final ranking with the reduced number of members.

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## SAMPLE COMPANY REFERENCE CHECK

Date: \_\_\_\_\_ Vendor Being Checked: \_\_\_\_\_

Contacted by: \_\_\_\_\_ Person Contacted/Phone: \_\_\_\_\_

Solicitation No: \_\_\_\_\_ Duty Title: \_\_\_\_\_

Title: \_\_\_\_\_ Company: \_\_\_\_\_

Questions	Comments/Finds
1. What is/was your role or responsibility in relation to the contract with the vendor?	
2. What was/is the duration of the contract(s)?	
3. Have there been/Are there any contract problems?	
4. Have there been/Are there any contract issues requiring change orders or amendments?	
5. How long has your firm/office been doing business with the vendor?	
5. How knowledgeable were they with the same or similar services?	
6. How would you rate their performance in resolving problems? (e.g., Were corrections made promptly?)	
7. How would you rate their overall performance?	
8. Would you use this vendor again? Yes or No. Explain.	

**SAMPLE  
PERSONAL REFERENCE CHECK**

Date: \_\_\_\_\_ Vendor Being Checked: \_\_\_\_\_  
 Contacted by: \_\_\_\_\_ Person Contacted: \_\_\_\_\_  
 Solicitation No: \_\_\_\_\_ Title: \_\_\_\_\_  
 Title: \_\_\_\_\_ Firm: \_\_\_\_\_

Questions	Comments
1. What is/was your role or responsibility in relation to the Contract with the vendor?	
2. Were there any contract administration problems involving this person, and if so, how were they resolved?  <ul style="list-style-type: none"> <li>• <u>Timeliness of Response</u></li> <li>• Other</li> </ul>	
3. Do you have any general or specific comments regarding the vendor staff?	
4. How would you evaluate the vendors staff's ability in terms of:  <ul style="list-style-type: none"> <li>• <b>capability to resolve problems quickly and effectively</b></li> <li>• ability to effectively interface with client staff</li> </ul>	
5. How would you assess the vendor staff's knowledge of: <ul style="list-style-type: none"> <li>• the same or similar services?</li> <li>• business process analysis?</li> </ul>	
6. How would you evaluate vendor staff's personal qualifications for the following?  <ul style="list-style-type: none"> <li>• Communication skills</li> <li>• Ability to work under pressure</li> <li>• Problem-solving skills</li> <li>• Decision-making skills</li> </ul>	

END OF SECTION 6

## **7.0 CONTRACTS**

A contract is defined as a written agreement, regardless of its title, which is signed by the City and one or more other parties and which sets forth specific terms and conditions for the procurement or furnishing of goods, services or professional services. Refer to Appendix A.

It is Purchasing's goal to develop or assist in the development of contracts that will assist in troubleshooting and preventing or resolving problems when or before they occur. The contract will address the following areas at a minimum:

- The specifications, drawings, statement of work, and other pertinent documents.
- The expected level of performance of the equipment and personnel involved and the remedies if performance, including quality, does not occur
- The expected schedule of performance to meet delivery requirements of the organization and the relationship (if required) of maintenance and spare parts to the operation
- Warranty, guarantee, and service agreements, including action to be taken if defaults occur
- The price and payment schedule relating to all parts of the equipment and services to be delivered as a result of the contract

### **7.1 Types of Contracts**

#### **7.1.1 Term Contracts**

A type of agreement that provides prices for specific types of goods or services (other than professional services) that is in effect for a stated term. The length of all contracts covered in this section, shall be based upon the City's best interest. Consideration will be given to product availability, price volatility and expectation of need. The different types of terms contracts are outlined below:

##### **7.1.1.1 Citywide Term Contracts**

Citywide Term Contracts are issued for use by multiple City departments, for like commodities or services, and to benefit from the contract pricing resulting from economies of scale. These contracts are available for use by all City departments. Terms and Conditions are established under a master contract and departments may purchase against the master contract, identifying the goods or services they wish to purchase using a Purchase Order or P-card.

Purchasing shall be responsible for contract administration and the development of all master contract documents associated with citywide Term Contracts, unless another department is identified as the contract administrator based on the nature or specialization of the commodities or services (i.e. ISS may be assigned as contract administrator for a citywide cell phone contract). These contracts shall be available for use by all City departments. A list of current citywide Term Contracts can be accessed on the City's intra-net via ProcureNet>Contracts>Term Contract List.

#### 7.1.1.2 Departmental Term Contracts

Departmental Term Contracts are issued for use primarily by the initiating department, for commodities or services specific to the operations of that department.

The department shall be responsible for contract administration and the development of the contract documents associated with departmental term contracts when the contract document is not incorporated into the bid solicitation. Departments can use a term contract boilerplate template obtained from Purchasing and add the technical specifications to the template to develop the term contract specification/contract documents. The department can make edits to the template as deemed needed.

If it is determined that a new term contract for specific goods/services not already included in a term contract is needed, the initiating department shall:

7.1.1.2 (a). Complete a Solicitation Information/Request Form.  
[Add Hyperlink]

7.1.1.2 (b). Submit the completed Solicitation Information/Request form via email to Purchasing along with the Specifications.

### **7.1.2 Consultant / Professional Service Contracts (CSA)**

Consultant/Professional service contracts are for those services, which are of an advisory nature, which provide a recommended course of action or professional expertise. CSA's are issued in order to obtain professional or technical advice or expertise which will supplement departmental expertise or advice or where an independent opinion or audit is required.

This type of contract provides for furnishing of specified types of professional services for a stated term pursuant to individual orders, and should abide by the following guidelines:

#### 7.1.2.1 CSA for Consultant/Professional Services

##### 7.1.2.1 (a) Purpose

The Professional Services to be contracted for shall be detailed in the contractual scope of work. Specific projects should be listed whenever possible. Contractor shall not be permitted to perform work outside of the described projects/work scope.

##### 7.1.2.1 (b) Orders against CSA's

The department shall request (in writing) a proposal based upon a written scope of work from one or more vendors that have a Contract with the City to provide the specified services.

After evaluating the proposal(s), negotiating with the selected vendor, and obtaining the appropriate approvals, a purchase order can be obtained to procure the consulting/professional services.

Contract Approvals and approval of orders against the contract shall be in accordance with City Commission Procurement Policy 242.05CP

The scope of work and contract terms and conditions as well as the selected vendor's proposal will become a part of the order by reference on the Purchase Order. P-Cards can be used if the CSA allows them to be used.

#### **7.1.3. Departmental Sole Source Negotiated Contracts**

When Departments have identified a purchase as a Sole Source, departments should abide by the following guidelines:

- Obtain written Verification of Sole Source prior to Negotiation from Purchasing.
- Obtain Appropriate Approval Authorities.
- Develop Contract document

## **7.2 ROLES AND RESPONSIBILITIES**

### **7.2.1 Departments shall:**

- Provide technical expertise in the development of specifications and/or requirements for Citywide and department specific term contracts.
- Provide contract administration for department specific term contracts.
- Respond timely to expiration notices to ensure City wide term contracts are rebid or renewed prior to expiration.
- Respond timely to expiration notices to ensure departmental term contracts are rebid or renewed prior to expiration if still deemed necessary by the department
- The responsibility for ensuring the full benefit of a manufacturer's warranty lies with the department maintaining custody of the material. The department should maintain records on all warranted items including item description manufacturer's serial number, UNTHSC property tag number, warranty period, and a copy of the warranty agreement.
- Department Directors shall approve all applicable department contract documents with estimated total expenditures of less than \$25,000 (including sub recipient grant contracts). The Department approved contract documents shall be submitted to Records Management for execution by the Treasurer-Clerk and City Attorney or their designees.
- Prepare and submit Contract documents resulting from Requests for Qualifications (RFQ) and Requests for Proposals (RFP) solicitations to the City Treasure-Clerk (T/C) for execution and insure a contract number has been assigned by Purchasing and annotated on the Contract.

### **7.2.2 Procurement Services shall:**

- Evaluate buying trends to determine if a Citywide or Department Term Contract is appropriate
- Provide guidance to the Department on the best procurement method for the acquisition of the goods or services and develop and issue, as agreed by the Department and Purchasing, the Invitation for Quotes (IFQ), Invitation to Bid (IFB), Request for Qualifications (RFQ) or Request for Proposal (RFP)

- Receive all responses to the solicitation in accordance with the dates and times established in the document and disseminate information to the departments for review and evaluation
- Make a final determination or award recommendation, in conjunction with the appropriate department except where others are so authorized by the City Commission or applicable appointed official
- Post the award recommendation and evaluation results
- Obtain PeopleSoft contract and item numbers for all non-revenue contracts greater than \$50k and for all Term Contracts (TC)
- Forward all contract documents prepared as a result of procurements actions (excluding negotiated contracts resulting from RFQ and RFP Solicitations) to the City Treasurer-Clerk's (T/C) office for execution.
- Provide contract administration for all city-wide (more than two department) term contracts
- Notify the appropriate department staff about expiring term contracts at least six months prior to the contract's expiration date.
- Maintain the Current Term Contract and Expired Term Contract logs. Prepare Specifications and Agendas relating to City Wide Term Contracts.
- Sign, on behalf of the City Manager, all procurement related contract documents with estimated total expenditures of over \$25,000
- Prepare Contract Amendments for all Citywide Term Contracts when necessary.
- Prepare and obtain vendor approvals on Agreement Letters when Contract extensions are requested and approved.

### **7.2.3 Records Management shall:**

- Assign a Formal Contract number (if one has not been generated from PeopleSoft) and record identifying information in the contract log.
- Obtain the signature from the vendor, if not already obtained.
- Obtain the signatures of the Manager for Procurement Services, , City Attorney and Treasurer Clerk on the Contract document and any subsequent Amendments, and

- Ensure that the insurance and bonding is consistent with the Contract requirements and construction contract bonds recorded with the County Clerk of Court.
- Record the execution completion date in the contracts tracking log.
- Notify Procurement Services that the Formal Contract has been executed. The contracts tracking log should be referenced for specific data on the contract.
- Import/Scan the Executed Contract document and Amendments into EDMS.
- Distribute copies of the executed Contract to the appropriate parties.

**7.2.4 The City Attorney shall:**

- Review all contract documents.

**7.3 General Procedures**

If it is determined that a contract for specific goods/services is needed, the following procedures shall be followed:

**7.3.1. The initiating department shall:**

- 7.3.1.1. Complete a Solicitation Information/Schedule Form.
- 7.3.1.2. 7.3.1.2. Submit (via email) the Solicitation Information /Schedule form and Specifications to Purchasing.

**7.3.2. Subsequent to receipt of the Solicitation Information Request Form, Purchasing shall:**

- 7.3.2.1. Provide guidance to the department as to the best procurement method for the acquisition of the goods or services and develop and issue the solicitation.
- 7.3.2.2. Receive all responses to the IFB or RFP in accordance with the dates and times established in the document and disseminate information to affecting departments for review and evaluation
- 7.3.2.3. Make a final determination or recommendation, in conjunction with the appropriate operating department except where others are so authorized by the City Commission or applicable appointed official

Note: For citywide term contracts (contracts utilized by more than three departments), purchasing shall establish a user group and shall be responsible for all steps listed in this section.

### **7.3.3 Contract Awards**

All contract awards shall be in accordance with the City's purchasing policy and procedures and must be approved by the proper purchasing authority as established in the City's purchasing policies 242CP [Purchasing Policy 242.05 CP](#)

The dollar value of any contract shall be determined by the total estimated aggregate expenditure over the term of the contract excluding any extension periods

#### **7.3.3.1. Award of Contracts via Request for Bids**

Awards shall be made to the lowest responsive and responsible bidder.

Awards may be on an individual item basis, a group of items basis, or on a lowest total bid basis, whichever the City determines to be in its own best interest. Contracts shall not be intentionally split to avoid approval by the City Commission or to bypass competitive bidding requirements.

#### **7.3.3.2. Award of via Request for Proposal or Qualification**

Awards of contracts will be made to the vendor who provides the City with the proposal, which is to the best advantage of the City.

Departments should review City Commission Policy No. 691 – Procurement of Consulting Services [City Commission Policy 691](#), prior to acquiring these types of services.

#### **7.3.3.3. Award of Sole Source Contracts**

Sole source contract awards for commodities and/or services, requires Purchasing's written verification of sole source prior to approval (normal approval authorities as stated above) and/or negotiations.

Contract awards for professional consulting services under \$35,000 do not require sole/single source justification.

#### 7.3.3.4. Agendas

All procurement related agenda item requests shall adhere to the following:

- 7.3.3.4.1 All agenda items relating to all purchases shall be reviewed by Purchasing prior to submitting for City Manager's approval
- 7.3.3.4.2 All citywide contract agenda items shall be the responsibility of Purchasing.
- 7.3.3.4.3 Agenda items requesting approval of department specific procurements and contracts shall be written by the department

#### **7.3.4 CONTRACT SIGNATURE RESPONSIBILITY.**

Pursuant to Procurement Policy #242.06 D. 17, Procurement Services has the responsibility to execute contracts, contract amendments, contract extensions, letter agreements and purchase orders that originate through the procurement cycle after the appropriate approval is obtained.

- 7.3.4.1 Contracts greater than \$25,000 shall be signed by the Procurement Services Manager.
- 7.3.4.2 Contracts less than or equal to \$25,000 and sub recipient grant contracts may be signed by the relevant Department Director.

Please consult Purchasing for the appropriate contract document to be used and purchasing and/or accounts payable for the appropriate payment instrument.

#### **7.3.5 Contract Document Preparation**

##### 7.3.5.1. Responsibility

- a) City Wide and Departmental Term Contracts - Documents will normally be prepared by Purchasing, except for those instances where the department deviates from using a standard purchasing term contract template.
- b) Continuing Services Agreements (CSA) and all negotiated Contracts (RFQ-RFP) Documents shall be prepared by the Department.

- c) Construction Contracts
  - Resulting from a Bid shall be drafted by Procurement
  - Resulting from a Request for proposal shall be drafted by the Department
  - Those in excess of \$100,000 shall require a 100% performance bond
  
- d) Miscellaneous Services, Single Scope, Time Definite
  - Resulting from a Bid shall be drafted by Procurement
  - Resulting from a Request for proposal shall be drafted by the Department
  - Depending on the nature of the service may require a 100% performance bond.
  
- e) Revenue Contracts and Joint Participation Agreements (JPA)
  - Documents drafted by Department
  - Numbers assigned by Records Management
  
- f) Departmental Sole Source Negotiated Contracts
  - Department Develops Contract
- g) Contracts which do not need to be reviewed by Purchasing include:
  - Settlement Agreements
  - Internal Loan Agreements
  - Grant Award Agreements
  - Economic Development Agreements
  - Sale & Purchase of natural gas and electricity

Procurement maintains the current Boilerplates of all solicitation documents. Departments may request the most current version prior to developing their Specifications/Scope of Work requirements.

#### 7.3.5.2. Contract Number Assignment

7.3.5.2.1 All Formal Contracts shall be assigned a contract number. Task orders are no longer required to be executed, however if the department elects to have a task order executed, the task order shall be assigned a sub-number from the original contract number. The following procedures shall be followed to assign and record Formal Contract numbers in the system

7.3.5.2.2 Formal Contract numbers should be generated by the PeopleSoft financial system. In some cases, contract

numbers, beginning with 999 may be generated by the City Treasurer-Clerk's Office for such contracts as:

- Revenue
- JPA (Joint Participation Agreements)
- MOU (Memorandums of Understanding)
- Interlocal Agreements

7.3.5.2.3 Task Orders numbers shall be numbered with the Contract number, a dash and 01, 02, etc. E.g. 3200-01 (see comment on 7.3.5.2.1)

7.3.5.2.4 Orders against Term Contracts (Price Agreements) of any amount shall include the Term Contract number and PeopleSoft item number. The PeopleSoft item number set up shall be in concurrence with the Department and Procurement.

7.3.5.2.5 All correspondence from departments and vendors should include the Formal Contract number and order number

7.3.5.2.6 All Contracts greater than \$50,000, other than those created by procurement, shall be reviewed by the Purchasing. Additionally, it is recommended that the Department have the City Attorney's Office review the document form prior to it being released for execution.

### **7.3.6 Contract Execution Procedures**

All purchases of services not associated with a Term Contract > \$50,000, Term Contracts and Continuing Services Agreement will require a written contract.

The Contract should include, but not be limited to the following:

- the basic type and period of services to be provided;
- method and payment schedule (phases);  
termination clause;

- change order statement; time schedule of project; dispute resolution; governing law, insurance statement and copy of appropriate certificate(s) of insurance;
- performance bond (If Applicable); project team/manager, entire agreement statement, signature authority, insurance, indemnification language and a scope of work statement according to the various phases, if any, time restriction of each phase and addendum, etc. and the provisions of the City's solicitation.

#### 7.3.6.1. Procedures for Contracts Created by Departments

Once solicitations have been evaluated and the successful bidder has been awarded a formal City contract by the appropriate authority, the Purchasing shall provide the Department with PeopleSoft Contract and Item Numbers. The Department shall then forward the contract to the City Treasure-Clerks Office (T/C) for execution along with detailed award information.

#### 7.3.6.2.. Treasurer Clerks Responsibilities

The Treasurer Clerks Records Management Division shall take the following actions, in chronological order, to ensure the completion of the contract execution process:

- Obtain the signatures of the Contractor/vendor (If Applicable), the City Attorney, City Manager or designee, and the City Treasurer Clerk.
- Assign a contract number if not using the PeopleSoft numbering system.
- Record the contract in the contracts log.
- Submit written communication (email preferred) to the Procurement Services Supervisor confirming that the contract has been executed.
- Import/scan the contract document into EDMS.
- Distribute copies of the executed contract to the appropriate parties.

Upon notification by the T/C of contract execution, the Procurement Services Supervisor shall notify the appropriate Agent who shall in turn notify the Project Manager and Term Contract Log Administrator.

In the case of City Wide Contracts, Purchasing shall notify the Term Contract Log Administrator who shall in turn send notice to all users that the contract is now available for use and any other pertinent information on how to use the contract.

### **7.3.7 Contract Expirations / Renewals (Extensions)**

#### **7.3.7.1. Expiration Notice Process**

Automatic notices of contract expirations will be generated to the Supervisor, Purchasing Services. The following procedures will be followed:

An email shall be sent to the Contract Administrator noting that the contract will expire. The email will include whether there are extension options or if a rebid is required.

For those contracts with option periods of renewal, the Contract Administrator shall get in writing from the Department their concurrence to extend the Contract the optional renewal period.

Upon receiving the response, the following shall occur

#### **7.3.7.2. Renewals / Extensions**

Contracts may be extended without Commission approval from their original duration by six months to allow for rebidding.

If the contract is being extended beyond the six months to allow for rebidding period, stated above, the Department shall prepare an agenda item for Commission approval of the extension.

Purchasing will draft the contract renewal letter, and ensure it is executed prior to contract expiration unless the contract provides for automatic renewals.

The renewal letter shall be scanned into EDMS. Purchasing will not automatically request a renewal of a contract without prior approval from the authorized Department Representative. For those contracts requiring a renewal letter, the Treasurer Clerk Records Management Division shall be informed of the exercised option periods. Extensions of City Wide Contracts shall be the responsibility of the Purchasing Division of Procurement Services.

Contracts may only be extended if provisions within the Contract allow for it. Contracts without extension provision may only be extended by City Commission Approval.

The City may require continued performance of any services within the limits and at the rates specified in the contract. The extension provision may be exercised monthly or quarterly, but the total extension of performance hereunder shall not exceed six (6) months. The City may extend the services by written notice to the Contractor.

#### 7.3.7.3 Rebids

If there are no extension/renewal options available or should it be determined that it is not in the best interest of the City to exercise a contract renewal option, and a rebid of the commodity or service is deemed necessary, the following procedures shall be followed:

- a) The department shall notify purchasing of their decision not to renew the contract or exercise the extension provision.
- b) Purchasing will send a Contract cancellation letter to the vendor for those contracts which have automatic renewals (And notify the Treasurer Clerk Records Management Division). It is the responsibility of the technical representative of the Department to update the specifications or requirements definition for the new solicitation.

### **7.3.8 Contract Administration**

7.3.8 .1 After the award of any contract, the department with the assistance of Purchasing should insure that both the City and the vendor are in compliance with all terms and conditions of the contract including:

- Obtaining the needed commodities or services on time and that the supplier receives proper compensation; to assure that the supplier and City perform all contractual obligations; and to establish a mechanism for modifying contracts (e.g., implementing escalation prices, change orders, etc.)
- The departments shall follow-up and expedite the handling of discrepancies and deficiencies and maintain a written record of the vendor's performance relating to contract requirements.
- Purchasing shall support the using department in establishing a positive working relationship with the vendor.
- In cases where the vendor does not adhere to delivery and specifications or is in technical breach of a contract, the department must attempt to rectify the situation with the Vendor and maintain a written record of these attempts. A written record should contain specific instances of non-compliance with contract requirements and a time frame for resolution of the issues involved.
- The department shall provide copies of all correspondence and records to Purchasing and the designated Contract Administrator.
- The department should utilize the vendor performance evaluation form or written report to accompany records where appropriate.
- In cases where the department is unable to rectify a breach of contract with the vendor, the matter shall be turned over to the Purchasing along with all documents for resolution which may include, but is not limited to, recommendation to cancellation of the contract; suspend or disqualify the vendor.

- The Purchasing Administrator shall render a decision to cancel the contract and/or suspend the vendor, in accordance with Section 10.1.6 of these procedures.
- When there is insufficient or no written documentation from the Department concerning breach of contract the following procedures shall be followed:
  1. A meeting shall be attended by the Contract Administrator (Procurement), the Vendor and the Departmental representative to review the contracts breach and establish a remedy to cure the breach.
  2. Following the above meeting. The Contract Administrator shall send a letter to the vendor reiterating what was agreed to at the meeting and giving the Contractor thirty days to cure.
  3. If the contractor fails to cure the breach at the end of the thirty days, then the Procurement Administrator shall terminate the Contract for default and may disbar the Vendor in accordance with the procedures set out in Section 2.5.
- Vendors alleging unfair treatment during the contract administration process may file a complaint with the Director of Management & Administration. Complaints should be submitted in writing within ten (10) days after the vendor receives notification of the action taken by the Purchasing Administrator. The Director of Management & Administration shall investigate the situation and render a final decision.

**7.3.8.2 Notice to Proceed:**

For **Capital Projects** only, Contractors awarded projects may be allowed to begin work as soon as they have submitted their signed contract, Insurance Certificates and Contract Bond are approved by City Risk Manager (if applicable).

For **all other projects**, upon notification from the City Treasurer Clerks Records section of Contract execution, the Purchasing shall notify the project manager that they may issue their notice to proceed to the contractor (if applicable).

The notice to proceed shall be issued in writing in a form in keeping with the Department's Procedures.

#### **7.3.8.3 Purchase Orders**

A Purchase Order for services may be placed against an established Term Contract (Which had only a broad work scope i.e. stormwater engineering services). Purchase Orders shall include the following:

- Description of the work to be performed (Scope of work)
- Project completion date or schedule of milestone dates when certain elements of the required work is to be completed
- Cost of services or a not to exceed monetary amount (payments should be tied to the completion of an actual work product or specific task)
- Terms and Conditions reference
- Contract number reference

#### **7.3.8.3 Change Orders**

A change order is written alteration to a Contract, signed by the purchasing authority, in accordance with the terms of the contract, which modifies work scope, cost or scheduling and directing the contractor to make changes.

Note: For Purchase Order Changer Orders see Section 2.2

##### **7.3.8.4.1. Authority**

The City Manager may authorize change orders up to the maximum amount approved by the Commission in the Capital Budget for the project.(Per Policy 218(3).

Any proposed scope change orders exceeding these amounts shall trigger the need for City Commission approval.

This provision shall not apply to original contracts under \$250,000. For these contracts, the total of the original contract award and any change orders shall not exceed \$250,000 without approval of the City Commission.

Contingency Approval:

Because of the nature of some capital projects (especially construction), unforeseen events or conditions may arise during the project that may result in the need for a change order.

As these events cannot be determined with certainty, it is recommended that a contingency (a defined dollar allowance, approved by the City Commission, used to fund non-scope change orders) be requested at time of contract approval. When the Commission approves a contingency for a project, the City Manager or designee may authorize non-scope change orders up to the amount of the contingency. Any proposed non-scope change orders exceeding the contingency amount or \$250,000 aggregate which ever is greater shall trigger the need for Commission approval.

#### **7.3.8.5 Amendment/Modification**

The decision of when to and how to amend a contract should be mutually agreed upon by the using Department, the Procurement Services Division and the Vendor/Contractor. Contracts may be amended to provide for additional work scope or a change in work scope. Contracts may also be amended for the purchase of supplies where there is a need for material that was not included in the original contract; it should be in keeping with the general work scope or type of material originally contracted for.

Amendments/Modification may also be used to change certain “boilerplate” contract clauses although caution should be used and the appropriate authorities consulted before doing so. And finally amendments/modifications may be needed to merely correct or extend the contract term. Refer to Exhibits 1 Amendment (Other), 2. Amendment (Consultant), and 3 Amendment Letter, for details to building the Amendment document.

##### **a) Types of Amendments/Modification**

1. Formal Amendment: A non-scope related revision or change to a contract document accomplished by mutual agreement of the parties to the contract.
2. Letter Amendment: A non-scope related revision or change to a contract document accomplished as a unilateral letter format.

#### **7.3.8.6 Assignment of Contracts**

Should another firm acquire an existing contractor then it may be necessary to do an Assignment of Contract rather than Amendment. Purchasing can guide you through this process.

Commission action is not required for contractor name changes or assignments.

- Company provides change in name form
- Assignments will be handled by Purchasing

#### 7.3.8.7 CONTRACT PAYMENT PROCEDURES

Certain contract payments must be tracked by the Department Project Manager or designee throughout the term of the contract. Additional payment processes apply including preparation of a Contract Pay Request form. At a minimum, they include:

- A. Continuing payments made against Consultant/Professional Services/or Construction Contracts (as defined in Section 7.1.2), with a total greater than \$250,000
- B. Payments with Retention/Retainage - the withholding of a part of the payment due until final acceptance of work. In accordance with Florida Statute 218, Part VII, the retainage amount shall be in determined by the Department Project Manager and shall be indicated in the Contract.
- C. Projects that include Materials Stored
- D. Grant contract payments

The Contract Payments Section of Procurement Services will process and track payments defined in A & B & C (above), and, are reported to Accounting Services at year-end.

The Accounts Payable Section of Procurement Services will process Grant Contract Payments (and other invoice payments that not defined above).

The Requisition/ Purchase Order process shall be utilized for contract payments as defined above.

Vendor invoices (for payments defined above) shall be submitted to the Department Project Manager (rather than Procurement Services). The Contract Payment process shall be documented in the Contract. For those contracts executed prior to this procedure being adopted and wherein the contract states invoices are to be sent to Accounts Payable the department may amend the contract

by letter agreement to change the submittal address to the Department.

To request payment, the Department Project Manager shall provide an accurate and completed Contract Pay Request form, and, a Schedule of Values (SOV) - a detailed invoice of activity during the contract term that includes the various parts of the work and the quantities involved, (i.e. Cost Breakdown Format as defined in AIA Document A201, etc.). Lines 1 through 27 on the form must be accurately completed by the Department Project Manager and must be consistent with the SOV.

For contract payments (as defined above) that have been previously approved for wire transfer (ACH), a separate City check request pay form is not required. On Line 2 of the Contract Pay Request Form, the Department must document that a wire transfer is requested; include the date the payment is needed; and, attach the previously completed and approved Electronic Payment Enrollment Form.

To ensure adequate tracking, Contract Pay Requests must be sequentially numbered, i.e. Payment 1, 2, 3, etc. If the purchase order number changes, the tracking/sequence number of the payment should not be impacted.

Contract Payment Closeout activities shall be performed by the Department Project Manager. When final payment is requested (for payments defined in A, B, & C), the Department Project Manager shall note "**Final Payment**" on the Contract Pay Request Form. If the contract agreement included minority participation, at final payment, the Department Project Manager shall attach a MBE Project Completion Affidavit with the Contract Pay Request Form and SOV. If MBE participation is not applicable, the Department Project Manager shall make note on the –Contract Pay Request form. (Contact the MBE Office to obtain a MBE Project Completion Affidavit.)

**With the written approval of the Purchasing Manager or if stated in the executed contract** the City Purchase Card may be used as a payment tool for purchases defined in A, B, & C (above). For tracking purposes, the purchase card must remain as the payment tool for the length of the contract period. Tracking shall be the sole responsibility of the Department. Retainage and material store requirements shall be submitted to the Procurement Services Contract Payment Section at fiscal year end closeout.

Exceptions to this requirement may be obtained in writing from the Procurement Services Manager or approved Commission Agenda.

All other requirements of the City Prompt Payment Policy shall apply.

#### 7.3.8.8 Contract Close Out

- Contract closeout is necessary when the work required by the contract is physically complete. The following issues should be considered in conjunction with closeout activities:
  - Have the contract terms and conditions been met?
  - Have payments been properly made? (Final voucher should zero the purchase order or indicate final payment)
  - Have all warranties and all technical data requirements been properly documented and provided to the department?
  - Have all contractual documents been signed in accordance with City procedures?
  - Have all final determinations been completed?
  - Have all optional provisions expired?
  - Are there any time extensions pending?
  - Is the final receiving report completed?
  - Did the department certify that all deliverables have been received and accepted?
  - Have all disallowed payments, performance issues, deliverables or suspended cost been resolved?
  - Has the property inventory been received from the contractor?
  - Is all City owned property, real or personal, furnished by the City or acquired by the vendor for the City, accounted for?
  - Has all reconciliation been completed to verify that all payments have been paid and received by the vendor, and any refunds and/or credits have been received and accounted for?

The department shall initiate a close PO request in PeopleSoft and the final contract pay request will be the Treasurer Clerk's Records Section notice of closure.

#### Contract Files

Purchasing will maintain hard copy files of Term Contracts; all contracts and supporting documents shall be scanned into the EDMS by Purchasing or the City Treasurer Clerk records division.

#### 7.3.8.8 Contractor Evaluation

Upon contract completion the project manager may complete a Vendor Performance evaluation form and submit it to procurement. See Exhibit 6

A copy of this evaluation will be made part of the contract file and may be considered by departments when evaluating other proposals that may be submitted by the vendor.

Evaluations may also be submitted anytime during the contract period when performance is substandard.

**7.3.8.9 Obligation of City and Contractor to Utilize Contract**

7.3.8.9.1 The contractor has an obligation to furnish all materials and/or services against the contract and the City has an obligation to order materials and/or service covered by the contract on an as-needed basis from the successful contractor. The Procurement Services Manager may grant exceptions to this when it is determined to be in the best interest of the City.

7.3.8.9.2 Items that are on existing contract with vendor should not be procured from any other vendor. This may constitute a breach of contract and may result in violations of the competitive bidding policies.