



**VILLAGE CENTER COMMUNITY DEVELOPMENT DISTRICT  
SUMTER LANDING COMMUNITY DEVELOPMENT DISTRICT  
VILLAGE COMMUNITY DEVELOPMENT DISTRICTS 1 - 10**

# **PURCHASING POLICIES & PROCEDURES MANUAL**

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## **MISSION STATEMENT**

The Mission of the Purchasing Department is to provide fair and equitable treatment of all persons involved in public purchasing by the Districts and to provide like commodity and contractual services and procurement policies, rules, procedures and forms for all Departments. Therefore, the Purchasing Department shall provide procurement services to the Districts and Departments at the appropriate quality and quantity in a timely manner and at the least cost to the residents while maintaining a procurement system of quality and integrity.

## **NEED FOR COMPETITION**

The District Boards and District Manager recognize that open and fair competition is a basic part of public procurement. This reduces the appearance and opportunity for favoritism and inspires public confidence that the Districts' contracts are awarded equitably and economically. Complete openness and candor are important means of curbing any improprieties and establishing public confidence in the process by which commodities and services are procured.

It is essential to the effective and ethical procurement of commodities and services that Departments use a system of uniform procedures in managing and procuring commodities and services. Detailed records of the Districts' decisions in procurement must be maintained. Strict adherence to specific ethical considerations by all District officers, employees and agents, and by the suppliers and contractors is required to maintain the confidence of the residents, the Districts, and the business community in the expenditures of Districts' funds.

The Districts will buy only from suppliers who have adequate financial strength, high ethical standards, and a record of adhering to specifications, maintaining shipping promises, or giving a full measure of service. The Purchasing Department shall buy at the lowest and best cost consistent with the quality needed to meet the requirements of the Districts. New sources of supply will be given consideration, as multiple sources of supply are necessary to insure availability of materials. The Districts support equal opportunity, regardless of race, religion, nationality, or gender in the bidding and award process for contracts and commodities.

The Districts strive to maintain strong and enduring relationships with vendors and suppliers of proven ability and those who desire to meet its needs. To accomplish this, purchasing activities will be conducted so that sources of supply being used will place a high value on District business and make every effort to meet these requirements on the basis of quality, service, and price.

## DEFINITIONS

**Addendum** – An addition or change in the prepared specifications for which an invitation has already been advertised for formal written quotations, proposals, or bids.

**Bid** – A bid is the executed document submitted by a Bidder in response to an Invitation for Bids or a Request for Quotation. Bid prices are held firm and are not subject to change. A bid is used to seek competitive pricing when exact specifications are identified for the products and services the District wishes to buy. The District would then purchase the lowest bid unit meeting the specifications, terms, and conditions of the Bid.

**Bond (Performance, Protest, or Bid)** – A good faith monetary commitment which a bidder or contractor forfeits to the District if the bidder refuses to enter into a contract after submitting a bid or the bidder cannot furnish the required surety or performance bonds, usually for 5% of bid proposal price. A protest bond is furnished to the District as a result of a bid protest in an amount no less than one (1) percent of the bid proposal.

**Capital Expenditure** – Equipment and real property with a value in excess of \$10,000 and an expected life of more than one (1) year (i.e. land, buildings including appurtenances, fixtures and fixed equipment, structures, computer software, computer hardware, etc.). This may also include additions, replacements, major repairs and renovations to real property which may extend its useful life or materially improve or enhance its functional use, including furniture and equipment necessary to furnish and operate a new or improved facility.

**Change Order** – Purchaser's document to alter or amend a transaction previously formalized by a purchase order or contract.

**Community Development District** – Local unit of special purpose government which is created pursuant to Florida Statute Chapter 190 and limited to the performance of those specialized functions authorized by that statute; the governing head of which is a body created, organized, and constituted and authorized to function specifically as prescribed in this act for the delivery of urban community development services; and the formation, powers, governing body, operation, duration, accountability, requirements for disclosure, and termination of which are as required by general law.

**Consultant Services** – Any narrow discipline wherein a known practitioner has, through education and experience, developed expert advisory and/or programming skills as a vocation; or any service performed primarily by vocational personnel which requires the analysis or certification of a professional before the services are acceptable to the user of the service; or any other

advisory, study, or programming activity where the provider of any such consultant service is ordinarily obtained by means other than lowest price. This term shall not include construction and employment agreements.

**Continuing Contract** – A contract that allows for incremental execution using individual task orders.

**Contract** – A solemn written agreement between parties with binding legal and moral force; usually exchanging good or services for money or other considerations.

**Cooperative** – A group of two or more parties that act through a common agency with respect to a common objective, either buying or selling.

**Debarment** – The disqualification of a vendor to receive invitations for bids, or requests for proposals, or the award of a contract by the Districts, for a specified period of time commensurate with the seriousness of the offense or the failure or inadequacy of performance.

**District** – Any of the Community Development Districts as defined previously.

**District Board** – Governing Board of a District. For the purpose of these policies and procedures, the District Board can be any of the twelve (12) Village Community Development Districts' Board of Supervisors responsible approving purchases, executing contracts, and overall authority for the procurement of goods and services.

**District Manager** – The manager of the District as defined in Florida Statutes Chapter 190.

**Electronic Notification System** – The means by which the District posts Invitations to Bid, Request for Proposals, Request for Qualifications, and Invitations to Quote or other matters relating to procurement on a centralized Internet website designated by the District for this purpose ([www.demandstar.com](http://www.demandstar.com)).

**Emergency Purchase** – An unforeseen situation in which there is a breakdown of District services and there is an urgent need to restore such services in order to avoid serious and adverse consequences affecting the safety, health, welfare, or property of the residents of the Villages.

**F.O.B.** – Free on Board. A term used in conjunction with an identified physical location to determine the responsibility and basis for payment of freight charges, and at the point which title transfers from buyer to seller. Commonly used deliveries are: F.O.B. Destination – a shipment to be delivered to a destination designated by the buyer and the point at which buyer accepts title; and F.O.B.

Shipping Point (Origin) – a shipment is to be delivered to the buyer with the passage of title on board the indicated conveyance or carrier at the contractor's designated facility.

**Invitation to Bid** – The written solicitation for competitive sealed bids. The invitation to bid is used when the District is capable of specifically defining the scope of work for which a contractual service is required or when the District is capable of establishing precise specifications defining the actual commodity or group of commodities required. A written solicitation includes a solicitation that is electronically posted.

**Invitation to Negotiate** – A written solicitation that calls for responses to select one or more persons or business entities with which to commence negotiations for the procurement of commodities or contractual services.

**Invitation to Quote** – A solicitation that calls for pricing information for purposes of competitively selecting and procuring commodities and contractual services from qualified or registered vendors.

**Multi-Step Bidding** – Source selection involving two competitive steps, the first constituting a technical proposal for furnishing the product or service described in the solicitation, and the second a submission of prices based on further consideration of the technical proposal being an acceptable alternative for meeting the needs of the District.

**Operating Supplies** – All expendable materials or commodities required to facilitate the functioning of a department that do not become part of the complete construction project or product (i.e. cleaning materials, small equipment/machinery costing less than \$5,000, etc.)

**Original Equipment Manufacturer (OEM)** – The designated manufacturer of certain equipment.

**Piggyback** – Procurement method whereby the Districts buy from an approved bid of another governmental agency thereby relieving the District of the competitive sealed bid requirement.

**Pre-Bid Conference (or Pre-Proposal Conference)** – A meeting held with prospective bidders prior to solicitation of or the date for receipt of bids or proposals, to recognize state of the art limits, technical aspects, specifications, and standards relative to the subject, and to elicit expertise and bidders' interest in submitting a bid.

**Professional Services** – Those services within the scope of practice of Professional Architecture, Landscaping Architecture, Engineering, or Registered Land Surveying as defined by Florida Statutes 287.055, or those performed by

any architect, professional engineer, landscape architect, or registered land surveyor in connection with his/her professional employment or practice.

**Project** – Any development, improvement, property, utility, facility, works, enterprise, or service now existing or hereafter undertaken or established under Florida Statutes Chapter 190.

**Property** – Fixtures or other tangible personal property of a non-consumable nature, the value of which is \$5,000 or more, and the normal expected life of which is one year or longer.

**Purchase Order** – A written document ordering supplies, services, or construction for the District. The document shows all terms and conditions of the purchase.

**Purchase Requisition** – The form used by the Departments to request the Purchasing Authority to procure goods and services from vendors.

**Purchasing** – Buying, procuring, renting, leasing, or otherwise acquiring any materials, supplies, services, construction, or equipment. It also includes all functions that pertain to the obtaining of any material, supplies, services, construction, and equipment including description of specifications and requirements, selection and solicitation of resources, preparation and award of contract.

**Purchasing Authority** – Contracts/Purchasing Manager, District Manager or District Manager Designee.

**Quotation** – An offer by a vendor to sell to the District. It may be verbal or written. Used for items costing less than the existing bid limit (\$25,000).

**Recycled Content** – Materials that have been recycled and are contained in the products or materials to be procured, including but not limited to, paper, plastic, aluminum, glass, and composted materials.

**Request for Proposal (RFP)** – A written solicitation for competitive sealed proposals. Used primarily for goods and services when the specifications are not as detailed and the award criteria are more subjective. For example, the selection/evaluation committee may want to consider criteria other than unit costs such as Proposer's experience, years in business, and professional certifications/credentials. By having a committee conduct the evaluations and recommendations, no one person could determine the award. In addition, the RFP procedure permits negotiation of proposals and prices and allows changes to be made after the proposals are opened.

**Request for Qualifications** – Has the same definition/meaning as "Request for

Proposals” (F.S. 287.012). Generally used in the multi-step bidding / proposal process.

**Requisition** – A request for the purchase of goods or services. A Requisition is not an authorization to purchase.

**Responsible and Responsive Bidder** – A bidder whose bid conforms in all material respects to the solicitation, who has the capability in all respects to perform the contract requirements, and who, by his/her integrity and reliability, gives reasonable assurance of good faith performance.

**Single Source** – The commodity can be purchased from multiple sources, but in or order to meet certain functional or performance requirements (i.e. repair parts, matching existing equipment or material), there is only one economically feasible source for the purchase.

**Sole Source** – The commodity can be legally purchased from only one source. The is usually due to the source owning patents / copyrights.

**Specifications** – A clear, complete and accurate statement of the physical, functional or technical requirements descriptive of an item and, if applicable, the procedure to be followed to determine if the requirements are met.

**Term Contract** – An indefinite quantity contract to furnish commodities or contractual services during a defined period.



## **INTRODUCTION**

The operation of the Districts involves a diversity of skill, trades, and professions that covers a multitude of functions and services. District personnel are tasked to operate these many functions as efficiently and economically as possible. It is necessary that all personnel work together as a team to eliminate excess effort and waste for the efficient and effective operation of District government.

A function that has a significant operational and financial impact on the District government is procurement. The Purchasing Department is a service department that facilitates the procurement of materials, supplies, equipment, professional, technical, and contractual services required for District operation. The Purchasing Department also has a control function to ensure that the laws, rules and regulations concerning the purchase and disposal of goods and services are followed and that all transactions are carried out under the highest ethical standards. The Purchasing Department also provides information and research on new products and services, as well as trends and opportunities.

This manual has been developed to serve as a guide within which well-informed decisions can be made. The purpose is to point out the duties and responsibilities of those involved with the procurement function and to assist them in maintaining the Districts' reputation for fairness and integrity while obtaining the maximum value for each dollar of expenditure.

Suggestions of improved methods and new ideas concerning these procedures are encouraged and welcomed.

## **TYPES OF COMMON PURCHASING TRANSACTIONS**

### **Standard Purchase Order (SPO)**

The District standard purchase order begins with a number that is issued for routine District purchases of commodities and services. The purchase order is requested by the user Department with a Purchase Requisition and is issued for the purchase of most types of items and/or services.

### **Contract Purchase Order (CPO)**

Contract Purchase Orders are issued as a result of a quote or bid, and are usually for construction or consultant type jobs where progress payments are required throughout the duration of the project OR for payments for transactions where regular specific payments are required over a specified length of time. While the term of a Contract Purchase Order may or may not coincide with the fiscal year, the amount of funds must be available in the current year's budget. Requests for construction, consultants, leases, or similar transactions must begin with the user department and approved by District Manager.

### **Disaster Purchase Order (DPO)**

A purchase order that is issued during a local, state, or federal "declared state of emergency".

### **Emergency Purchase Order (EPO)**

Emergency purchases are ONLY for commodities or services necessary because of certain emergency conditions that may affect the health, safety, and welfare of the residents of the District.

### **Purchasing Card Transactions**

Purchasing Card transactions made with the District Purchasing Card must follow procedures as outlined in the Purchasing Card section of this document. All procedures for obtaining quotes and following approval and budget requirements must be adhered to when utilizing the Purchasing Card.

## **THE PURCHASING FUNCTION**

The purchasing function begins with a need by a using department. For everyone (the user, the vendors and the Purchasing Department) needs must be planned as far in advance as possible to be efficient and effective. Each need must be thoroughly reviewed as to the type of procurement process that should be utilized to best facilitate the delivery of the commodity or service required, at the time it is needed and at the best possible price. Planning should include coordination with other departments as necessary. The Purchasing Department services all Districts and all Departments. Do not hesitate to contact purchasing staff to help in planning your purchasing needs.

### **Requesting a Purchase**

Any purchase not utilizing the Purchasing Card is initiated using a REQUISITION FORM (See Appendix "A" - Forms). Please complete every blank on the form applicable to the request for purchase, including the bill to/ship to information so that all needs are communicated properly. Requisitions received without the necessary information may slow down the approval process. All requisitions must be approved by the using Department Director/Manager, Finance Department and the District Manager prior to being received in the Purchasing Department. Requisitions received in the Purchasing Department without proper approval will be returned to the user department.

The Purchasing Department has full authority to question the quality, quantity, and kind of items requisitioned in order to ensure that the best interests of the District may be served. No changes, however, will be made without first notifying the ordering department.

### **Specifications**

The term "specification" means any description of the physical or functional characteristics, or of the nature of the supply or service, or construction item. It may include a description of any requirement for inspecting, testing, or preparing a supply, service, or construction item for delivery.

The specification is the basis for obtaining a commodity or service suitable for the District needs considering the total costs of ownership and operation as well as the initial purchase costs. It is the policy of the District that specifications permit maximum practical competition consistent with this purpose. Specifications shall be drafted with the objective of clearly describing the user's functional and/or performance requirements.

If a purchase is made without knowing the exact requirements of the using department, errors are common results. It is the responsibility of the using department to understand the Department's needs and requirements and

communicate those needs to the Purchasing Department. Purchasing will assist the using department in writing specifications for any product or service required. Certain technological or standardized purchases require participation from other District Departments in drafting the specifications.

When developing specifications, accepted standards shall be used and unique requirements shall be avoided. Specifications that list a Brand Name "Or Equal" description are intended to be descriptive and not restrictive, and to indicate the minimum quality and characteristics of the products that will be accepted. Proposals offering "equal" products will be considered for award if such products are clearly identified in the proposal and are determined by the user and the Purchasing Department to fully meet or exceed the characteristics listed in the specifications.

## METHODS OF PROCUREMENT

No procurement of goods or services of \$25,000.00 or more shall be made unless by competitive sealed bids received in the manner hereinafter prescribed, except in at least one of the following circumstances.

When it is determined in accordance with procedures adopted by the District that the use of competitive sealed bidding is either not practical or not advantageous to the District, a contract may be entered into by any of the following methods or for the following goods/services:

1. Competitive sealed proposal / Request for Proposal (RFP)
2. Consultant's Competitive Negotiation Act (CCNA).
3. Request for Qualifications.
4. Sole/single source procurement.
5. Invitation to Negotiate.
6. Assignment of contract to the District.
7. Legal fees and services, expert witnesses, court reporter services, and related expenses of claims and/or litigation.
8. Utilities, advertising, toll charges, gas charges, fleet repair services, and postage.
9. Dues and memberships in trade and professional organizations, subscriptions for periodicals, advertisements, copyrighted material, temporary recreational instructors, sports officials, professional medical services, authorized hospitality expenses, fees and costs of job related travel, seminars, tuition and registration, and training.
10. Interlocal agreements between the District and other local, state, or federal agencies including the transfer, sale, or exchange of goods and/or services.
11. Repairs to existing machinery or equipment. Valid only when accompanied by a memo stating one firm can or should repair the equipment. Limit \$50,000 with District Manager approval.
12. Purchase of used equipment, commodities or items being purchased at an auction. A written explanation as to the advantage to the District of having made a purchase of used and/or auction items shall accompany the

Purchase Order.

13. Acquisition of real property, such as land, easements, rights-of-way, existing buildings, structures, or improvements, resulting from negotiations and approved by the appropriate District Board of Supervisors.
14. Piggyback: Under the piggyback method of cooperative purchasing, a large purchaser of an item (or group of items) invites bids, enters into a contract, and arranges, as part of the contract, for other governmental units to purchase the item (or items) under the same terms and conditions. The vendor is given the option, at the time he submits his bid, of allowing or not allowing other governmental agencies to use the contract. A bidder's refusal to allow other governmental agencies to piggyback on a contract shall not result in disqualification. All piggyback contracts must be approved by the appropriate District Board of Supervisors.
  - a. Documentation Required:
    - i. A complete copy of the original solicitation.
    - ii. A tabulation of all solicitation responses.
    - iii. A copy of the award letter/memo/agenda item by the political entity to the vendor.
    - iv. A complete copy of the vendor's proposal.
15. Cooperative Bid: Two or more governmental agencies agree on specifications and contract terms and conditions for an item of common usage and combine their requirements for this item in a single invitation for bid. Once bids have been received and discussed by participating agencies, each agency issues its own receiving and inspection process, issues its own checks for payment and resolves its own disputes. All bids issued with the intent of cooperative purchasing shall include names of participating governmental agencies, delivery points and estimated usage.
16. Utilization of State Term Contracts: SPURS, SPA (formerly SNAPS), NASPO contracts. The utilization of various GSA (General Services Administration) contracts for Information Technology (IT) as allowed by the General Services Administration for local and state governmental purchasing (GSA Schedule 70 and Consolidated Schedule containing IT Special Item Numbers (SINs)).
  - a. Documentation Required:
    - i. Florida State Contracts & SPA Contracts: Current SPA Contract Number. If the contract has fixed unit prices, no additional information is needed. If the contract is a percent discount from list, a copy of the original manufacturer's list

price is also required. This will usually be in the form of a published price list. If requesting only to utilize some of the items on the contract, only the pages with those prices are required.

- ii. GSA Contracts: Please provide the following items:
  - 1. The face page of the Federal General Services Administration (GSA) contract showing the contract name, number, and contract term.
  - 2. The ordering information page(s).
  - 3. The pricing page(s).

## **BOARD APPROVAL**

District Board approval from the appropriate Board of Supervisors must be obtained prior to the procurement of goods and services under the following circumstances:

1. Purchases of \$25,000 and over.
2. Single / Sole Source purchases.
3. Emergency purchases.
4. All term contracts/agreements regardless of amount.
5. Change Orders to any purchase that previously required board approval.
6. Renewals to contracts/agreements.
7. Amendments to contracts/agreements.



## PURCHASING REQUIREMENTS

### Small Purchases

A Small Purchase is defined as any purchase where the total value is below the bid threshold limit of \$25,000.

The estimated value of the purchase determines what steps must be completed before a purchase order can be issued.

### Obtaining Quotes

In utilizing the Small Purchases Procedure the following shall apply:

1. Award shall be made to the offeror providing the most value while meeting the needs of the District.
2. Requisition requests shall not be divided into multiple requests so as to avoid the quoting process.
3. The following are the guidelines to be used for formal and informal quoting.
  - a. **Estimated Value \$1,000.00 or Less**  
Purchase through Purchase Order or Purchasing Card as per Purchasing Card guidelines included in this manual. Small purchases of \$1,000 or less which are not covered under a bid agreement / contract have no mandatory quotation or bid requirements.
  - b. **Estimated Value \$1,000.01 to \$2,500.00**  
This threshold requires a single phone quote by the user department. However, the user department should check the marketplace to ensure that the best value is being obtained. User department may request a purchase order or use the Purchasing Card. Department Director's approval is required prior to making purchase. Written documentation as to vendor name and price quoted shall be on file with the user department.
  - c. **Estimated Value \$2,500.01 to \$5,000.00**  
The user department shall request two (2) or more written quotes. Written documentation of vendor names and amount quoted shall be sent to the Purchasing Department with the requisition having both Department Director and Finance approval.

d. **Estimated Value \$5,000.01 - \$24,999.99**

The User Department shall solicit three (3) written quotes from vendors. Once quotes are received, the User Department shall initiate the Purchase Order process with a Purchase Requisition. All requisitions must be approved by the User Department Director, Finance, and the District Manager. Once approved, the Purchasing Authority will then process the Purchase Order to be sent to the awarded vendor and place the order with the vendor.

Alternatively, the User Department may request that the Purchasing Department issue an "Invitation to Quote" (ITQ). The Purchasing Department will upload the ITQ to <http://www.demandstar.com> and will receive the quotes on behalf of the User Department.

- e. All Purchase Requisitions shall be approved by the Department Director, Finance Department and District Manager (or designee) prior to being sent to the Purchasing Department.
4. If the Purchasing Department or any Department foresees a need for products or services of a like or similar nature costing more than \$25,000 in aggregate within a fiscal year, it may recommend Competitive Sealed Bidding, even though the products and services individually may be under the \$25,000 bid threshold. Vehicle repair and maintenance work, building repair and maintenance work, road repair and maintenance and any commodity that cannot be managed by competitive bidding and are subject to daily/weekly market price fluctuations, may be exempt from this requirement.
  5. When previous experience indicates a reasonable expectation that combined requirements from all Departments for a commodity or service will exceed the bid threshold within a fiscal year, the Purchasing Department may solicit requirements from all users of this commodity or service, arrange for specifications and bid documents to be developed and arrange for Competitive Sealed Bidding.
  6. Emergency procurements are exempt from the provisions of this procedure. An explanation of the reasons for the declaration of an emergency shall be documented in the Purchasing Department. This provision shall be used only if there is imminent danger to the health, safety or welfare of the residents of the District or threat of deterioration of a critical service as approved by the District Manager or designee.
  7. Several categories of purchases are exempt from the procedures outlined in this manual. State and Federal operating procedures are followed when purchases are made from the Federal Surplus Property Utilization Program, Prison Rehabilitative Industries and Diversified Enterprises, Inc.

(PRIDE) and RESPECT of Florida.

8. Where only one source exists for a commodity or service, it shall be documented by the Purchasing Authority or his/her designee as provided for by Florida Statute.
9. Good business judgment may dictate deviations from these policies and procedures. If this occurs, the reason(s) for the deviation shall be approved by the Purchasing Authority or his/her designee and shall be documented in the Purchasing Department.

## **INSURANCE REQUIREMENTS**

### **PURPOSE**

The Districts enters into agreements and contracts for services and/or products where risk management / insurance terms exist to protect the Districts' interests and to minimize potential liabilities.

### **POLICY**

The following guidelines are provided to describe basic and minimum vendor insurance requirements. These suggestions include basic coverage requirements which should apply in most situations, however, additional insurance requirements may be chosen for individual agreements, contracts or leases on an as needed or case-by-case basis.

These insurance requirements shall not limit the liability of any other party. The District does not represent these types or amounts of insurance to be sufficient or adequate to protect the other party's interest or liability, but are merely minimums. The Districts reserve the right to modify any insurance requirements as needed.

Except for Worker's Compensation and Professional Liability (Errors and Omissions or E&O), all insurance policies shall be endorsed to name the Districts as additional insured. For most vendors, it is highly desirable to ensure that all Districts (Village Center Community Development District, Sumter Landing Community Development District and Village Community Development Districts 1-10) are listed on the certificate as additional insured.

## **BASIC VENDOR INSURANCE REQUIREMENTS**

### **Workers' Compensation Insurance**

As required by the State of Florida. Contractor and any subconsultants or subcontractors shall comply fully with the Florida Worker's Compensation Law and must meet all requirements of Florida Statute 440.02 (14) (d). In case any class of employees engaged in hazardous work at the site of the project is not protected under the Worker's Compensation statute, the Contractor shall provide, and cause each subconsultant or subcontractor to provide adequate insurance for the protection of its employees not otherwise protected.

Contractor must provide certificate of insurance showing Worker's Compensation coverage or must provide an exemption certificate issued by the State of Florida showing that Contractor is exempt from Worker's Compensation insurance requirements.

### **Automobile Liability Insurance**

All automobiles and trucks the Contractor may use in connection with the specified work must be covered. The limit of liability for this coverage shall be a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. This is to include owned, hired, and non-owned vehicles.

### **Public / General Liability**

Contractor shall obtain, and maintain throughout the life of the Contract, Public Liability Insurance in an amount no less than \$1,000,000 combined single limit (CSL) for Bodily Injury and Property Damage per occurrence. Insurance shall protect the Contractor, subconsultants and subcontractors from claims for damage for personal injury, including accidental death, as well as claims for property damages which may arise from Contractor operations.

## **ADDITIONAL INSURANCE (If Required)**

The following types of insurance may be required on a case-by-case basis. This list does not, however, represent all additional insurances. Each contract or service will be evaluated for specific insurance needs.

### **Professional Liability and/or Errors and Omissions Liability**

Professional (E&O) Liability insurance must be purchased and maintained with minimum limits of \$1,000,000 per occurrence.

### **Property Coverage for Leases**

The other party shall procure and maintain for the life of the lease, all risk/special perils (including sinkhole) property insurance (or its equivalent) to cover loss resulting from damage or destruction of the building and personal property/contents. The policy shall cover 100% replacement costs and shall include an agreed value endorsement to waive coinsurance.

### **Commercial General Liability**

Because the Commercial General Liability form of coverage includes an annual aggregate limitation on the amount of insurance provided, a separate project aggregate limit will be required by the District for specific agreements or contracts.

### **Liquor Liability**

In anticipation of alcohol being served, the other party shall provide evidence of coverage for liquor liability in an amount equal to the General / Public Liability coverage. If the General Liability insurance covers liquor liability, the other party's agent or insurer must provide written documentation to confirm that coverage already applies to the agreement, contract or lease.

## **CERTIFICATES OF INSURANCE**

Certificate(s) shall be dated and show:

1. The name of the insured Contractor, the specified job by name and/or number, the name of the insurer, the number of the policy, its effective date and its termination date.
2. Statement that the insurer will mail notice to the District at least thirty (30) days prior to any material changes in provisions or cancellation of the policy.
3. The Districts and any other governmental agencies using this contract in cooperation with the District shall be a named additional insured on Public Liability Insurance. For competitive solicitations, certificate shall indicate solicitation number.
4. The Contractor shall require of each its subconsultants and/or subcontractors to procure and maintain during the life of its subcontract, insurance of the type specified above or insure the activities of its subconsultants and/or subcontractors in its policy as described above.
5. All insurance policies shall be written on companies authorized to do business in the State of Florida.

## **INVOICE APPROVALS**

All invoices must be approved by the Department Director or the District Manager approved designee prior to sending to Finance for payment. Invoices that do not have a corresponding Purchase Order or have not been purchased using the Purchasing Card must be approved by the Department Director and the District Manager prior to sending to Finance for payment. The invoice must be accompanied by a memo from the User Department Director as to why a purchase was made without an approved purchase order. The memo should also include additional information such as the purchase date, the date the goods/services were received, or any other pertinent information regarding the circumstances of the purchase.

## FREIGHT / SHIPPING AND HANDLING ISSUES

Transportation of a product to the required delivery site is an additional expense to be considered. When obtaining quotes, using departments should request the price be quoted including delivery or delivery costs should be quoted as a separate line item. When the Purchasing Department request bids, the bid price always includes any delivery charges.

Transportation is usually described as “F.O.B: Destination” or F.O.B.: Shipping Point”. These are legal definitions and define when title, or ownership, passes from the seller to the buyer, who is responsible for any loss and who generally pays the freight and transportation costs.

**F.O.B.: Shipping Point (Origin):** Title/ownership passes to the buyer (District) when the goods leave the seller’s property and the District pays all transportation costs. If anything happens to the goods in transit, the District must still pay the seller and must file claims and settle with the transportation company for damages. If this method is chosen, the Invitation to Bid must specify the transportation carrier and the terms and conditions. This method is very disadvantageous to the District and can be very expensive to administer.

**F.O.B.: Destination:** Title/ownership passes to the buyer (District) when the goods are accepted by the District and the seller *normally* pays all transportation costs. If anything happens to the goods in transit, the District does not have to pay the seller and the seller must file any claims and settle with the transportation company for damages. This is the best (and preferred) method for the District.

**F.O.B.: Destination, Prepaid and Add:** Under this arrangement, the seller will pay all delivery charges but will pass those costs along to the buyer (District). However, title will not pass to the District until it has accepted the goods.

**F.O.B.: Destination, Estimated, Prepaid and Add:** This arrangement is that the seller will quote only an estimated cost of delivery and will pass along the actual cost to the District upon invoicing.

When the District chooses to pay freight charges, the appropriate terminology will be printed on the Purchase Order with an additional request that the actual shipping document with pricing be included with the invoicing document. This is a method of protecting the District from paying quoted or estimated freight charges that are not actual. Staff responsible for processing invoices should be aware of these arrangements and carefully check delivery charges before authorizing their payment.



## **FORMAL SOLICITATIONS**

### **Competitive Sealed Bidding**

No contract shall be let by the District for any goods, supplies, or materials to be purchased when the amount thereof to be paid by the district shall exceed \$25,000.00 unless formally competitively bid as per F.S. 190.033 in which the bid shall be publicly advertised except as stated in the "Methods of Procurement" section of this manual or if the goods or services are exempted from formal solicitation.

### **Competitive Sealed Proposals**

For purchases in excess of the formal competitive threshold and where appropriate or required by law, the competitive proposal process will be utilized. The process will be conducted in a manner similar to the sealed bid process as set forth under this section. Prior to the announcement and distribution of the RFP, a selection committee shall be approved by the District Manager to evaluate the proposals received. The District Manager may empower the selection committee to designate and rank the proposals prior to the commencement of negotiations and to negotiate a tentative agreement, subject to award by the District Board.

The competitive proposal process is a method of contract selection that may be utilized by the Purchasing Authority under circumstances where one or more of the following conditions exist:

1. Where qualitative considerations are of equal or greater concern than pricing considerations.
2. Where the conditions of the purchase do not lend themselves to the formal sealed bid process or the award of a firm, fixed fee contract.
3. Where the District is incapable of specifically defining the scope of work for which the commodity or service is required and where the qualified offeror is asked to propose a commodity or service to meet the needs of the District.
4. Where the District desires to enter into a single contract for the design and construction of a public construction project.

## **BID / PROPOSAL SOLICITATION AND SELECTION PROCEDURE**

### **1. REQUESTING DEPARTMENT'S RESPONSIBILITY**

- a. A fully executed Bid/Proposal Request Form is to be submitted to the Purchasing Department.
- b. Submittal of all technical specifications, permit requirements, special conditions/requirements, plans, prints and/or drawings necessary to the project. Specifications may be submitted

electronically to the Purchasing Department on the standard District software.

- c. The requesting department is to review the draft of the project bid package and return to the Purchasing Department with corrections and/or changes.
- d. The requesting department is to provide a representative to attend a pre-bid information conference, bid opening and a pre-commencement conference (if applicable).
- e. The requesting department is to provide additional copies of plans, prints and/or drawings, as required by Purchasing Department, for proper distribution to potential bidders.
- f. Failure to adhere to any of the above may result in an unnecessary delay of the bid process.

## 2. BID SPECIFICATIONS

Invitations to Bid must describe the requirements of the District clearly, accurately and completely. Unnecessary or restrictive specifications or requirements that might unduly limit the number of bidders are strictly prohibited. It is the duty of the Purchasing Department to assist departments in writing specifications and the Purchasing Department is ultimately responsible for approving the specifications before going to bid. Specifications should contain the following elements:

- a. Physical, chemical, or electrical description of the item/service to be purchased.
- b. Dimensions, tolerance, and performance expected of the item shall be mentioned in the specifications; however special attention should be given to the need or justification for performance characteristics so as not to unduly eliminate a vendor without sufficient reason.
- c. Reference to a sample, if any, is encouraged to eliminate confusion. However, caution should be used to prevent identifying a specific brand or manufacturer.
- d. Bid price is to include net delivered price – no separate charges for delivery or hidden costs are allowed. This provision will make bids submitted by local vendors more competitive compared to out-of-state vendors.
- e. Specifications must clearly identify the quantity or estimated

quantity to be furnished by the vendor.

- f. Time and place of delivery should be included in the specifications if possible. If the vendor cannot deliver within a specified time period, bid shall indicate that the District has the right to select the next lowest bidder.
- g. If alternative items are to be considered, all details must be included in the specifications.
- h. Official bid sheet and sample contract documents are to be included in the bid package.

### 3. PUBLIC NOTICE

The Purchasing Department shall publish at least one time in a newspaper of general circulation throughout the District, a notice inviting sealed competitive bids. Purchasing shall also utilize the electronic notification system for notifying potential bidders. There is to be an interval of at least ten (10) calendar days between the date of the notice and the bid opening. If the District Manager or Purchasing Authority determines that a shorter interval is necessary and in the best interest of the District, a written justification must be provided for the official solicitation file. The notice shall include the following, where applicable:

- a. Bid identification number.
- b. Name of item or service to be bid and description.
- c. Place where bid documents, including specifications, are available.
- d. Cost, if any, of bid documents.
- e. Date, time and location of pre-bid conference (if any) and whether the pre-bid conference is mandatory or non-mandatory.
- f. Date, time and location at which bids will be received; date, time and place for pre-bid information conference, if required.
- g. Date, time and location where bids will be opened.

In addition to the public notice, the Purchasing Department shall notify any vendors who have indicated an interest in furnishing these goods and/or services to the District; or are currently registered with the electronic notification system of the specified goods and/or services; and who have not previously been denied the right to submit bids to the District.

#### 4. PRE-BID CONFERENCE

- a. **PURPOSE:** This procedure sets forth a standardized method for conducting pre-bid conferences. These guidelines are to be followed whenever the Purchasing Department schedules a pre-bid conference. The purpose of this procedure is to establish responsibilities and prescribe specific necessary action for the Purchasing Department during a pre-bid conference.
- b. **APPLICATION:** This procedure is applicable to any pre-bid conference.
- c. **MANDATORY CONFERENCES:**
  1. Mandatory Conferences are held to ensure that potential bidders understand the complexity of the commodity or service.
  2. A Mandatory Pre-Bid/Proposal Conference may be required when deemed to be in the District's best interest.
  3. The requesting department must document the need for such a requirement on the Bid/Proposal Request Form (See Appendix "A" – Forms). Mandatory conferences are the exception because they can restrict the competitive procurement process, therefore, sound justification is critical.
  4. If a mandatory conference has been scheduled, the Purchasing Department must reject the bid submission of any vendor not in attendance.
  5. The Purchasing Department may reschedule and/or schedule an additional mandatory conference when it is deemed to be in the best interest of the District.
- d. **NON-MANDATORY CONFERENCES**
  1. Non-Mandatory Conferences are to be conducted in the same manner as Mandatory Conferences.
  2. Bidder attendance at a Non-Mandatory Conference is not required and shall not affect the award of bid.
- e. **RESPONSIBILITIES:**
  1. Purchasing Authority: The Purchasing Authority or their authorized designee shall, along with the using department, determine if and when a pre-bid conference is necessary. Notification of the pre-bid conference will be contained in the bid document or subsequent written addendum. The conference should be held at least five (5) calendar days after the Public Notice. The specific intent is to satisfy the bidders as to the exact nature of the District's

requirements. The Purchasing Authority or their authorized designee will conduct each pre-bid conference if called for in the Invitation to Bid. The Purchasing Authority or designee will conduct and record the minutes of the pre-bid conference.

2. User Department Representative: The user department representative will be present to respond to technical questions where applicable.
- f. PROCEDURE: This procedure will set forth those steps to be followed during the pre-bid conference by the Purchasing Authority or their authorized designee:
1. Introducing him/herself.
  2. Introduce all concerned District representatives.
  3. Give a brief statement on the intent of the pre-bid conference, inform all attendees that the pre-bid conference will be recorded, and if it is a mandatory pre-bid conference.
  4. Sign-in Form: The Purchasing Authority or designee will provide a sign-in form and require each attendee to sign.
  5. Invitation to Bid: The Purchasing Authority or designee may introduce each document in the Invitation to Bid. Special attention shall be given to bid documents, specifications and proposals to insure that each bidder has the same interpretation of the documents.
  6. Discussion: No question shall be answered unless the Purchasing Authority or designee is satisfied that he/she has the correct answer and/ or until he/she has obtained the correct answer from knowledgeable sources (legal, engineers, user department, etc.). Private discussions relative to the bid between District employees and any bidder are prohibited. Any information shared with one bidder shall be shared with all bidders. Any discussion that results in changes to the scope of work, terms and conditions, schedules, or specifications shall become part of the bid/proposal documents and shall be considered binding. Addenda shall be issued to incorporate any changes resulting from the pre-bid conference.

7. If a mandatory pre-bid conference was scheduled and conducted, only those vendors/firms in attendance at the pre-bid conference may submit a bid.
8. Review: The Purchasing Authority or designee shall review the pre-bid conference notes and approve, as applicable, an addendum prepared as a result of the conference, for immediate distribution to all attendees.
9. The Purchasing Department shall retain the list of attendees, copy of the pre-bid conference minutes, and any resulting addendum for its files.

g. CLARIFICATIONS OR CORRECTIONS AT CONFERENCE

1. Clarification may be provided at a pre-bid / proposal conference so long as the specifications are not altered materially.
2. The Purchasing Department and requesting department should address concerns raised about specifications, conditions, or alternatives as soon as possible after the completion of the conference.
3. When a decision has been made to change the specifications, the Purchasing Department will issue a formal addendum.

5. ADDENDA

- a. After bids are solicited, but prior to the opening date, changes to the specifications may be needed to clarify ambiguous provisions, to correct errors or oversights, accommodate changing conditions, or provide additional information.
- b. Prior to issuing an Addendum, the Purchasing Department must consider the period of time remaining until the opening date. If additional time is likely to be required by the bidders, the Addendum should extend the opening date for a reasonable period of time to obtain the greatest level of competition and fairness.
- c. The Purchasing Department must issue all addenda.
- d. The Purchasing Department shall process the addendum promptly, will post electronically on <http://www.demandstar.com>, and will provide notice of the addendum to all known bidders at least seven

(7) calendar days in advance of the scheduled opening date.

- e. If insufficient time is available for the Purchasing Department to issue the addendum, the Purchasing Department shall provide verbal notification to all bidders in attendance at the scheduled opening and no bids/proposals will be opened at that time.
- f. Ultimately, the bidder is responsible to ensure that they have received all addenda prior to submission of their bid/proposal by checking directly with the Purchasing Department.
- g. A bidder must acknowledge receipt of each addendum by signing it and including all addenda with its bid/proposal submittal. Failure to acknowledge receipt of addenda may result in the rejection of the submitted bid.

## 6. BID SUBMISSION AND OPENING

Sealed bids are received and retained in the Purchasing Department until the date and time specified for bid opening on the public notice. The date and time of receipt of the bid is marked with a time stamp on the sealed envelope or with a time stamped sheet which is attached to the bid envelope/package. All bids received after the specified time will not be considered for award and will be returned to the bidder unopened

## 7. WITHDRAWAL OF BID

After receipt by the Purchasing Department, bids may be withdrawn by the bidder, up until the scheduled time for opening, upon presentation of proper identification. However, if a bidder wishes to withdraw a bid, but the bid cannot be picked up prior to bid opening time, then a formal written request for withdrawal must be made to the Purchasing Department, who will file the request, along with the unopened, withdrawn bid, in the official bid file.

## 8. BID OPENINGS

Bids are opened promptly, at the time designated in the public announcement by the Purchasing Authority or designee. That person opens the bids in the presence of at least one (1) witness, reads aloud the name of the bidder, the amount of the bid, and any other pertinent information contained in the bid.

Nextel time is hereby established as the official time of the Districts for all purchasing activities.

Bidders and the public are encouraged to attend bid openings. Within a reasonable time following the bid opening, the bids shall be tabulated and the results presented to the department that requested the bid for their recommendation of award.

### BID OPENING PROCEDURE

**PURPOSE:** This procedure sets forth a standardized method for conducting Purchasing Department Bid Openings. These guidelines are to be followed whenever the Purchasing Department schedules a Bid Opening. The purpose of this procedure is to establish responsibilities and prescribe specific necessary action for the Purchasing Department during a bid opening.

**APPLICATION:** This procedure is applicable to the Purchasing Authority.

#### **PROCEDURES:**

1. Call to Order:
  - a. Introduce yourself and District personnel.
  - b. Ask everyone present to sign the attendance sheet.
2. State the time and that bids will no longer be accepted.
3. Give the name of the bid and the bid number.
4. Proceed with bid opening by opening each bid and stating the submitting company names and prices as deemed appropriate by the Purchasing Authority.
5. Announce the anticipated date of award.
6. Close meeting and thank attendees.
7. Bid information will not be divulged over the telephone. Tabulation sheets are posted publicly, including the public bulletin board in the Purchasing Department within two (2) business days after the bid opening. Copies of the tabulation sheet are available if requested.
8. Copies of the Bid Documents may be obtained by a written request to the Purchasing Department once a recommendation of award has been received by the Purchasing Department or available on-line through the electronic purchasing and notification system.

### 9. AWARD OF BID

The Purchasing Department along with the utilizing Department determines the lowest responsible and responsive bidder. The term "responsible and responsive bidder" means a bidder whose bid conforms in all material respects to the solicitation, who has the capability in all respects to perform the contract requirements, and who, by his integrity and reliability, gives reasonable assurance of good faith performance.



- a. In determining the lowest responsive and responsible bidder, the Purchasing Department may, within reason, after the bid opening, request additional information of the bidder concerning his responsibility to perform, and the bidder may voluntarily provide additional or corrective information concerning his responsibility, which may be considered in making the bid award.
- b. **BID EVALUATION CRITERIA**  
Evaluation criteria may include, but is not limited to, the following:
  - i. Conformance to specifications and other documents of the bid package.
  - ii. Total bid price.
  - iii. Discounts.
  - iv. Previous performance.
  - v. Delivery time of item or completion time of project.
  - vi. Transportation costs.
  - vii. Licenses/credentials necessary for delivery and/or completion of project.
  - viii. Compliance with appropriate Federal, State and Local Laws.
- c. No bidder is permitted to correct a bid mistake after bid opening except that any bidder may correct errors in extensions of unit prices in the bids, or in multiplication, Department, addition or subtraction. In such cases, the unit prices bid shall not be changed.
- d. A voluntary or negotiated reduction in price from a low bidder can be accepted after the bid opening, provided such reduction does not result in the modification or deletion of any conditions contained in the bid documents.
- e. The Purchasing Authority may determine that the information submitted concerning the responsibility of the bidder is so administratively inadequate as to reject the bid based on a lack of demonstrated bidder responsibility.
- f. After the bid opening, the Purchasing Authority or designee may request additional information from the bidder concerning his/her responsibility to perform; and the bidder may voluntarily, after bid opening, provide additional or corrective information concerning his/her responsibility as a bidder. The Purchasing Authority shall consider this and all other information gained prior to the time of award or rejection in making his/her determination and recommendations concerning bid acceptance and award.

- g. A bid shall be considered responsive only if it conforms to the requirements of the Invitation to Bid concerning pricing, surety, insurance, specifications of the goods or services requested, and any other matter unequivocally stated in the Invitation to Bid as a determinant of responsiveness. A lack of conformity on these matters which is non-substantive in nature may be considered a technicality or irregularity which may be waived by the Purchasing Authority.
- h. Bid award is made to the lowest responsive and responsible bidder by one of the following methods:
  - i. Formal contract, supported by a performance and payment bond, (if required), is used when periodic payments are made for work performed on the contract prior to completion of all the work, as is generally the case with construction or landscape work. This protects the District against additional costs caused by abandonment of the work and claims by third parties for nonpayment.
  - ii. The Purchase Order will be the sole contract document when a formal written contract is not requested by the User Department.

## 10. PRE-CONSTRUCTION CONFERENCE

A pre-construction/pre-commencement conference is to be held, if necessary, to finalize work scheduling or any items pertinent to performance and/or completion of the work/project.

## 11. NOTICE TO PROCEED

After all necessary documents (insurance, bonding, permits, etc.) have been received and a contract, if necessary, has been properly signed and received, the Purchasing Department shall issue a Notice to Proceed to the successful bidder, based on the start date that has been established between the vendor and the user department. Payments are only made after Notice to Proceed is issued to the supplier and on file with Finance and each invoice is approved by the Department for payment.

## 12. BLACKOUT PERIOD

The black out period is defined as between the time the submittals for an Invitation to Bid, Request for Proposal, Request for Qualifications or the Invitation to Negotiate, as applicable, are received at the District Purchasing Department, and the time the Board awards the contract. During this black out period, any

attempt to influence the thinking of District officials for or against a specific cause related to a solicitation for goods or services, in person, by mail, by facsimile, by telephone, by electronic mail, or by any other means of communication, may result in disqualification of their award and/or contract.

### 13. BID CANCELLATION / POSTPONEMENT

Prior to bid opening, the Purchasing Authority may, for good cause, elect to cancel a bid or postpone the date and/or time of a bid submission or opening. After a bid opening, the Purchasing Authority may cancel a bid if no or only one (1) responsive and responsible bid is received, if the lowest bid is in excess of budgetary limits for that bid, or if it is deemed that it is not in the best interest of the District to continue with the procurement. In the event of discovery after bid opening of a patent irregularity or procedural flaw which is so severe as to render the process invalid, or in the event that the District determines that the need for the procurement no longer exists and will not exist in the immediate future, the Purchasing Authority may cancel the bid.

### 14. TIE BIDS / PROPOSALS

In the event two or more vendors submit the exact dollar amount as their quote/bid offer, or should two or more firms be deemed equal during an RFP selection process, and unless the Invitation for Quote, Invitation for Bid, or Request for Proposal stipulates criteria for determination of award for tie Bids, the following criteria, in order of importance, shall be used to break said tie:

- a. Delivery Time
- b. Prompt Payment Discounts
- c. Location of Vendors' Place of Business (award to vendor whose place of business is within the tri-county area)
- d. Minority/Disadvantaged/Women Business Enterprises

### 15. PROPOSAL EVALUATION (RFP)

The District will make award to the proposal that meets the requirements and criteria set forth in the solicitation and whose award will, in the opinion of the District, be in the best interest of the District. Proposals shall be evaluated based on the requirements set forth in the solicitation. Criteria that will affect the price and be considered in the evaluation for award shall be objectively measurable, such as financial capability, references, discounts, transportation costs, past performance, total or life cycle costs, and overall responsiveness of the submittal. No criteria should be used in the evaluation that is not set forth in the solicitation.

Factors to be considered in determining whether the standard of responsibility has been met include whether, in the District's determination, a prospective vendor/contractor has:

- a. Appropriate resources necessary to indicate the vendor's capability to meet all contractual requirements (i.e. financial, material, equipment, facility, personnel, experience, knowledge, expertise).
- b. A satisfactory performance on similar projects.
- c. A satisfactory record of integrity.
- d. Qualified legally to contract with the District.
- e. Supplied all necessary information in connection with the inquiry concerning responsibility including, but not limited to, any licenses, permits, insurance, price sheets, or required organizational papers.

The solicitation for RFP's shall state the relative importance of price and other evaluation factors. The most responsive, responsible offeror whose proposal is determined to be the most advantageous to the District in accordance with the evaluation criteria contained in the RFP should be selected. Evaluation of offerors and/or proposals may be made in a multi-step selection or proposal process. Discussions may be conducted with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and conformance to, the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers.

#### 16. PROPOSAL EVALUATION COMMITTEE (SELECTION COMMITTEE)

All submittals resulting from a Request for Proposals (RFP) will be evaluated by a Selection Committee. The Selection Committee will be used to review the technical aspects of proposal submittals for compliance with specifications and make recommendations on awards. A Selection Committee can be used to review bids as needed.

The Selection Committee generally consists of five (5) members representing a cross-section of employees with knowledge of the commodities or services sought. Selection Committee members shall be determined by the requesting department director in conjunction with the Purchasing Authority and approved by the District Manager. Membership may be expanded to include a representative of a local professional association to serve in an advisory capacity only and shall not be considered a voting member. The Purchasing Authority or designee shall serve in an advisory capacity to the Selection Committee and must be present at all proceedings.

No person shall serve on a Selection Committee if he/she has a conflict of interest with respect to any proposer being evaluated. The following activities shall be deemed to be a conflict of interest and shall preclude a person from serving on the Committee.

- a. Current employment or past employment with the proposer within one (1) year prior to the evaluation.
- b. Serving as a current consultant or past consultant for or with the proposer being evaluated within one (1) year prior to the evaluation.
- c. Having an ownership interest (stocks or assets) in the proposer being evaluated at the time of the evaluation (excluding mutual funds).
- d. Having a family member (spouse, child, sibling, parent, in-law) with an ownership interest in the proposer being evaluated at the time of the evaluation.
- e. Serving as an officer and/or director in the proposer being evaluated at the time of the evaluation.
- f. Being a party to any current or past litigation / lawsuit with or against the proposer being evaluated.
- g. Any other activity, interest, or relationship that could possibly be viewed as a conflict of interest or that is in conflict with F. S. 112.313 (Code of Ethics) must be disclosed in writing to the Purchasing Authority prior to service on a Selection Committee. The Purchasing Authority shall make the determination as to whether or not a conflict exists.

Reasonable public notice shall be given before any Selection Committee meeting. All notices shall be posted on the bulletin board in the Purchasing Department and can also be included in the Request for Proposal solicitation. The notice shall be posted at least one day before the meeting date. Such notice shall include:

- a. Name and/or purpose of Selection Committee.
- b. Time and place of meeting.
- c. ADA requirements notification information.

The minutes / audio recording of any open public meetings shall be made available for public view. The original minutes shall be filed with the solicitation package in the Purchasing Department.

#### SELECTION COMMITTEE PROCESS

- a. The requesting department director shall serve as chair to the Selection Committee and will coordinate all scheduling with the Purchasing Authority. It is the responsibility of the Purchasing Department to ensure proper public notice is issued for the meeting(s).
- b. Selection Committee members shall comply with full confidentiality for the first ten (10) calendar days after receipt of bid/proposal or until such time as a recommendation is made, whichever is earlier.

- c. Selection Committee members shall refrain from any conversations with each other for the duration of the process except during properly noticed Committee meetings.
- d. Selection Committee members must attend all scheduled meetings including any oral presentations by bidders/proposers.
- e. Selection Committee members must evaluate bid/proposal submittals based upon the written response to the scope of work and other pertinent information required by the terms of the proposal only. Selection Committee members must refrain from inclusion of any personal knowledge or assumptions gained prior to or outside the evaluation process.
- f. The Selection Committee Chair is responsible for conducting reference checks of bidders / proposers.
- g. The Selection Committee Chair is responsible for ensuring written minutes are prepared and attendance is recorded for all meetings.
- h. Each Selection Committee member is responsible for completing their individual scoring sheets. The Selection Committee can, with a consensus, produce one final scoring sheet. However, all individual scoring sheets must also become part of the official bid / proposal file. If one final scoring sheet is produced, all Selection Committee members must sign the sheet to indicate agreement.
- i. The Selection Committee may also produce an evaluation summary at the Chairman's discretion. A summary may be necessary in order to provide a brief description of the project and/or basis for recommendation to the District Board.
- j. All scoring sheets and evaluation summaries must be provided to the Purchasing Department for the official bid/proposal file and for agenda item preparation.
- k. All Selection Committee meetings are open to the public per Sunshine Law requirements; however, the public may not participate in the evaluation process.
- l. If the Selection Committee desires product demonstrations or oral presentations, the Purchasing Department shall coordinate the times and location. Only the bidders/proposers that are being considered for award should be asked to participate in the demonstration (unless the procurement is an RFP and the demonstration is a requirement of the

solicitation). A representative from the Purchasing Department shall be present at all demonstrations.

- m. Any products left in the custody of the District for further testing or review shall be responsibility of the Purchasing Department. Once the testing or review has been completed, the Purchasing Department shall notify the bidder or proposer that the product is ready to be returned.

## 17. RIGHTS OF THE DISTRICT

The District reserves the right to:

- a. Consider other pertinent information that could impact the award decision when it is in the best interest of the District.
- b. Reject any and all bids / proposals.
- c. Cancel the entire bid / proposal with or without re-bidding.
- d. Remedy or waive technical or immaterial errors / deviations in the bid or proposal submitted.
- e. Request any necessary clarifications or data without changing the terms of the bid / proposal.
- f. Accept or reject bids / proposals that exceed the established budget. If the District rejects all bids / proposals, specifications may be revised in an effort to comply with the established budget and the bid / proposal can be re-issued.
- g. Shortlist proposal submittals in the competitive range.
- h. Negotiate with the top-ranked or shortlisted bidders.
- i. Recommend award with or without negotiations and interviews.
- j. Select the proposal submittal that it believes will serve the best interest of the District.

## 18. SINGLE BID / PROPOSAL

When bid /proposal submittals are solicited and only one submittal is received, the Purchasing Department shall do the following:

- a. Examine the situation to determine whether the single response is attributable to an absence of any of the prerequisites of the formal procurement procedures. This review determines if the appropriate bidders were notified and why no other submittals were received.
- b. Initiate corrective action, if appropriate, to increase competition in future requests for bids / proposals for the same or similar items.
- c. Conduct a detailed review of the submittal to determine if the price offered is fair and reasonable in light of all prevailing circumstances. One or more of the following techniques may be used:

- i. Comparison of prices with those received by other governmental agencies.
  - ii. Comparison of prior bid / proposal prices with current prices for the same or similar item or service.
  - iii. Comparison with competitive published price lists published market prices of commodities, similar indexes and discount or rebate arrangements.
  - iv. Comparison of proposed prices with independent cost estimates.
  - v. If the project is of sufficient scope and complexity, a formal cost study may be conducted using appropriate professional experts.
- d. The Purchasing Authority will prepare an award recommendation demonstrating that the single submittal has been reviewed and evaluated and the price has been determined to be fair and reasonable and that it is in the District's best interest to proceed with an award.
- e. Where an outside consultant is involved (architect or engineer), the consultant's written recommendation must be included with the recommendation.
- f. If the investigation of the single submittal reveals that the submittal is not fair and reasonable, then the recommendation should be to reject the single submittal.
- g. If the project is re-solicited, appropriate changes should be made to encourage competition.



## **REQUEST FOR QUALIFICATIONS MULTI-STEP SEALED BIDS/PROPOSALS**

Multi-step bidding/request for proposals is a two-phase process consisting of a first phase which includes either a request for technical specifications or a request for qualifications. In the second phase, those firms which have been determined to meet qualification requirements or whose technical specifications have been determined to be acceptable are invited to submit prices for consideration. This process is designed to obtain the benefit of competitive sealed bidding by award of a contract to the lowest responsive and responsible bidder and at the same time, obtain the benefits of the competitive sealed proposals procedure through the solicitation of technical offers and the conduct of discussions to determine the acceptability of technical offers.

### **Procedure for Multi-Step Sealed Bidding**

The multi-step sealed bidding method may be used when it is not practical to prepare initially a definitive purchase or contract description that will be suitable to permit an award based on price.

Multi-step sealed bidding shall be initiated by the issuance of an Invitation to Bid, Request for Proposal or Request for Technical Specifications. In addition to the requirements set forth in the Formal Solicitation section of this manual, the multi-step solicitation shall indicate:

1. Un-priced technical offers are requested.
2. If price bids are to be submitted at the same time as un-priced technical offers, then such price bids are to be submitted in a separate sealed envelope.
3. This is a multi-step sealed bid procurement and priced bids will only be considered in the second phase and only from those bidders whose un-priced technical offers are found to be acceptable in the first phase.
4. The criteria to be used in evaluating the un-priced technical offers.
5. The District may conduct oral or written discussions of the un-priced technical offers with the offerors.
6. Bidders may designate those portions of the un-priced technical offer containing trade secrets or other proprietary data that are to remain confidential.
7. The item or service being procured shall be furnished generally in accordance with the bidder's technical offer as found to be finally acceptable and shall be the requirements set forth in the solicitation.

After receipt of un-priced technical offers, addenda to the Request / Invitation shall be distributed only to the active (still under consideration) bidders who submitted qualified un-priced technical offers or to amend those submitted. If, in the opinion of the Purchasing Authority, an addendum will significantly change the nature of the procurement, the Request / Invitation shall be canceled and a new solicitation issued.

Un-priced technical offers shall not be opened publicly but shall be opened in the presence of the Purchasing Authority, the User Department Director, and one additional witness. Such offers shall not be disclosed to unauthorized persons. Bidders may request non-disclosure of trade secrets and other proprietary data identified in writing.

The un-priced technical offers shall be evaluated solely in accordance with the criteria set forth in the solicitation. The un-priced technical offers shall be categorized as acceptable, potentially acceptable (reasonably susceptible of being acceptable), and unacceptable. The Purchasing Authority shall record in writing the basis for finding an offer unacceptable and make it a part of the procurement file. The Purchasing Authority may initiate phase two if it is determined that there are sufficient acceptable un-priced technical offers to assure effective price competition in the second phase without technical discussions. If the Purchasing Authority and the User Department find that such is not the case, the Purchasing Authority shall issue an addendum to the solicitation or engage in technical discussions to refine or revise specifications.

Discussion of un-priced technical offer(s) may be conducted by the Purchasing Authority and the User Department with any offeror who submits an acceptable or potentially acceptable technical offer. During the course of such discussion, the Purchasing Authority and User Department shall not disclose any information derived from one un-priced technical offer to any other bidder.

When the Purchasing Authority or User Department determines an offeror's un-priced technical offer to be unacceptable and such bidder has been informed of the decision, the offeror shall not be afforded additional opportunities to supplement technical offers.

Mistakes in the un-priced technical offers may only be corrected or bids withdrawn 1) during phase one before un-priced technical offers are opened; 2) after any discussions have commenced; or 3) when responding to any addendum to the Request / Invitation.

## **Procedures for Phase Two**

Upon completion of phase one, the Purchasing Authority shall:

1. Open price bids submitted in phase one (if price bids were required to be submitted) from bidders whose un-priced technical offers were found to be acceptable.
2. If price bids have not been submitted, technical discussions have been held, or addenda to the Request / Invitation have been issued, invite each acceptable offeror to submit a price bid.

Phase two shall be conducted as any other competitive sealed bid procurement except for the following:

1. Phase two is conducted as specifically set forth in this multi-step section.
2. No public notice of the Invitation to submit price bids needs to be given because such notice was previously given and only those offerors whose un-priced offer has been deemed acceptable are invited to submit a price offer.
3. After award, the Purchasing Authority shall examine written requests by the successful bidder for confidentiality of trade secrets or proprietary data in the technical offer to determine the validity of such requests. The Purchasing Authority shall notify the successful bidder in writing that a portion or portions of the un-priced technical offer will be disclosed. Unless the bidder files a formal written protest, the offer will be so disclosed.
4. Un-priced technical offers of bidders who are not awarded the contract shall not be open to public inspection unless the Purchasing Authority determines in writing that public inspection of such offers is necessary to assure confidence in the integrity of the procurement process provided, however, the provisions of Section 3 above shall apply with respect to the possible disclosure of trade secrets and proprietary data.

### **Request for Qualifications**

Certain projects may require that prospective contractors be pre-qualified to submit proposals. On such projects, a multi-step selection process may be utilized as deemed necessary by the Purchasing Authority. Prospective contractors shall be asked in phase one of the multi-step process to submit a financial statement and other information in accordance with the general provisions of the proposal/bid documents. All prospective contractors shall fill out and return a pre-qualification questionnaire for review and evaluation. Those contractors determined to meet qualification requirements will be invited to participate in phase two of the multi-step process. All policies and procedures governing the formal solicitation process and the multi-step sealed bid/proposal process contained in this manual shall be utilized.

## **BONDS AND DEPOSITS**

The Purchasing Authority reserves the right to request or waive the deposit / bond requirements when it is in the best interest of the District, unless prohibited by Florida law.

### **Types of Security and Deposits**

1. Performance Bond – 100% of contract price. This type of bond is required in connection with contracts for repairs, renovations, new construction, and other public works in accordance with Chapter 255, F.S. Executed by a surety, subsequent to award by successful bidder, to protect the buyer from loss due to bidder's inability to complete the contract as agreed. This bond secures the fulfillment of all contract requirements. Required for all construction related contracts exceeding \$100,000 unless waived by the District Manager.
2. Payment Bond – 100% of contract price. Issued at the discretion of the Purchasing Authority, it is a bond that assures payment to all persons supplying labor or material for the completion of work under the contract. Required for all construction related contracts exceeding \$100,000 unless waived by the District Manager.
3. Guaranty of Good Faith Deposit (Bid Bond) – Issued at the discretion of the Purchasing Authority, it is a sum of money or bond guaranteeing the bidder will not withdraw the bid for a specified period of time, will furnish bonds as required and will accept the contract if awarded or forfeit the deposit. Usually, a bid bond is 5% of the bid amount.
4. Performance Deposit – Issued at the discretion of the Purchasing Authority. Acts in the same capacity of Performance Bond but is not executed by a surety. Usually submitted in the form of an official bank check and held until the fulfillment of all contract requirements. The Purchasing Authority will determine form and dollar amount.
5. Letter of Credit – Document issued by a bank authorizing the bearer to draw a specified amount from that bank or its agents. A letter of credit is often substituted for a performance bond and is held until the fulfillment of all contract requirements. The Letter of Credit must be irrevocable and made out to the appropriate District.
6. Warranty Bonds – a warranty bond may be required from a successful bidder to ensure warranty provisions are fulfilled.

## Bonding Requirement

1. Bid bonds may be required for all Bids / Proposals. However, they will be required for the following unless waived by the District Manager:
  - a. Capital Construction projects which are expected to exceed \$100,000. The Purchasing Authority may require Bid security for projects estimated to be less than \$100,000 should the circumstances warrant a security deposit.
  - b. Annual Pricing Agreement or Contracts in excess of \$100,000
  - c. Specialty equipment at any other dollar amount.
2. Each construction bid shall be accompanied by a Bid Bond in the sum of five percent (5%) of the total base bid, including all additive alternatives, but excluding all deductive alternates, (or a stated amount as otherwise noted on the Proposal), which shall be a certified check [certified checks offered as Bid guarantees must have Florida Documentary stamps attached], or cashiers check, or a bank draft made payable to the District, or an irrevocable letter of credit accepted by the District. Under no circumstances will the District accept cash.
3. The Bid Bond shall be in the amount of five percent (5%) of the Base Bid unless otherwise approved by the Purchasing Authority.
4. The Surety Company shall be a duly authorized Surety satisfactory to the District. A Bid Bond must be signed or countersigned by a Florida Resident Insurance Agent.
5. In the event of the withdrawal of Bid after Notice of Award has been issued and accepted, or failure of a vendor to enter into a Contract and provide the Performance Bond within the required time frame, the bidder may be liable to the District for the full amount of the Bid Bond for damages.
6. The Bid Bonds will be returned to all Bidders, except the successful bidder(s) following the bid award. However, during the evaluation and analysis of the bid responses, the District reserves the right to retain the three lowest bid responses Bid Bond until award of that particular contract.
7. The provisions for these requirements should be incorporated into the Invitation to Bid, Request for Proposal and/or Purchase Order. When any contract is satisfactorily completed on which a surety bond or other deposit has been previously submitted, the department originating the purchase shall certify the satisfactory completion or acceptance of the commodities or services being purchased in writing to the Purchasing Authority. Upon receipt of the notification, the Purchasing Authority shall return the check or deposit to the vendor.

## **Acceptable Surety Companies**

For bids under \$500,000, Surety Companies will comply with Florida Statutes 287.0935 and provide with tendered surety, proof of that compliance.

Surety Companies shall fulfill each of the following provisions:

1. The Surety Company is licensed to do business in the State of Florida.
2. The Surety Company holds a certificate of authority authorizing it to write surety bonds in this state.
3. The Surety Company has twice the minimum surplus and capital required by the Florida Insurance Code at the time the Invitation to Bid is issued.
4. The Surety Company is otherwise in compliance with the provisions of the Florida Insurance Code.
5. The Surety Company holds a current valid certificate of authority issued by the United States Treasury under 31 U.S.C. 9304-9308.
6. The District prefers the Surety Companies providing Bid/Performance Bonds for bids under \$500,000 have a rating of at least Excellent (A or A-) as established by A.M. Best or other recognized rating services.
7. For bids that exceed \$500,000, the Surety Company will have a rating of at least Excellent (A or A-), as established by A.M. Best or other recognized rating services.
8. All Contract and Bond Requirements by State Law should be signed by a Florida Resident Insurance Agent.

## **Processing Bonds and Deposits**

1. The Contractor shall be responsible for securing the Bond.
2. The company acting as surety for any bond issued should normally be licensed to do business in the State of Florida. Sureties not licensed in Florida require prior approval from the District's Attorney.
3. Surety bonds furnished may be reviewed by the District's Attorney who shall either accept it or reject it for the District. All surety bonds accepted shall be forwarded to Clerk to the Boards to be filed in the official records of the District.
4. In the event a Contractor fails to provide an acceptable performance bond when required, within ten (10) days after notification or longer depending upon

circumstances, the District's Attorney will be notified. Upon recommendation of the District's Attorney, the District may declare the contract null and void and retain any bid deposit or guaranty which may have been submitted.

5. Bonds, when accepted, shall be filed with the applicable contract documents with the Clerk to the Boards.
6. Deposits such as C.D.'s (Certificates of Deposits), Irrevocable Letters of Credit, mortgages, real estate and/or other forms of guaranteed value must be in a form satisfactory to the District's Attorney and approved by the Purchasing Authority.
7. It is the responsibility of the Purchasing Authority or authorized designee to approve the return of deposits to unsuccessful bidders in a timely fashion after an award of purchase.

## **PROTESTED SOLICITATIONS AND AWARDS**

After the posting of the recommendation of award on the Purchasing Department public bulletin board, any actual or prospective bidder or proposer who is aggrieved in connection with the pending award or other element of the process leading to the award of a contract, may protest to the Purchasing Authority or his/her designee.

1. The protest must be submitted within three (3) business days after the posting of the recommendation of award at the location where bids or proposals are submitted. The protest must be in writing and must identify the protester and the solicitation and shall include a factual summary of the basis of the protest. Such protest is considered filed when it is received by the Purchasing Department with the protest bond in the appropriate amount.
2. Any bidder who files an action protesting a bid solicitation, a bid rejection, or an award pursuant to this section shall post with the Purchasing Department at the time of filing, protest bond payable to the District. This written request to convene a formal protest must be accompanied by a protest bond of an amount equal to one percent (1%) of the value of the solicitation, but in no case less than five hundred dollars (\$500.00) nor greater than five thousand dollars (\$5,000.00). This bond shall be by a U.S. postal service money order, certified, cashiers or bank check payable to the District. Failure to post such bond within three (3) business days after the Purchasing Authority or his/her designee's determination shall result in the protest being dismissed by the Purchasing Authority or his or her designee.
3. If the person or firm protesting the award prevails, the bond shall be returned to the protestor; however, if, after completion of a formal protest hearing in which the District prevails, the bond shall be forfeited to the District. The entire amount of the bond also shall be forfeited if the protest committee determines that a protest was filed for a frivolous or improper purpose, including, but not limited to, the purpose of harassing, causing unnecessary delay, or causing needless cost for the District or other parties.
4. Stay of Procurement During Protest – Notwithstanding anything contained herein to the contrary, in the event of a timely protest, the Purchasing Authority or designee shall stay the award of the contract, unless the District Manager, with the advice of the District's Attorney, and after consultation with the using department, makes a determination that the award of the contract without delay is necessary to protect substantial interests of the District.
5. The Purchasing Authority or designee shall have the authority to review and attempt to resolve the protest informally.
6. If the protest has not been informally resolved by the Purchasing Authority or his or her designee and the protestor wishes to pursue the protest, the protestor shall be required to request that a formal protest hearing be convened before a protest



committee comprised of the District Manager, the Purchasing Authority (in a non-voting capacity), and the using department director. This request shall be made in writing to the Purchasing Authority or his or her designee within three (3) business days of issuance of the Purchasing Authority or designee's determination. The protest hearing shall be held within ten (10) business days of the receipt of such request.

7. The protest shall state the particular grounds on which it is based and may include such additional written or physical evidence, objects, statements, affidavits, and arguments which the protestor deems relevant to the issues raised. Any grounds not stated shall be deemed to have been waived by the protestor. In the proceeding, the protestor or its representative may make an oral presentation, of such evidence and arguments. At any time the committee members may also make whatever inquiries of the parties and their witnesses that may be pertinent to a determination of the validity of the protest.
8. At the conclusion of the evidence submitted by the protestor, the protest committee shall announce a decision and shall prepare a written decision and recommendation which shall be filed with the District Board within fourteen (14) working days after the hearing.
9. After the filing, the protest committee's decision and recommendation shall then be presented for action at the next regularly scheduled meeting of the District Board. At this time, protestors shall be allowed to present evidence and testimony to the District Board. At the conclusion of such testimony by the parties involved, the Board shall by majority vote accept or reject the decision and recommendation of the protest committee.
10. The determination of the District Board shall be the final and conclusive administrative decision by the District regarding a bid protest.
11. Violation of Lobbying – No bidder may engage in any effort, either directly or indirectly, to influence the actions of the Board with respect to a pending award of a contract for which a solicitation was issued except as set forth in this section. Any bidder engaging in a protest to the District Board as allowed under this section, shall comply strictly with the requirements and restrictions of this section. Any attempt by any bidder to communicate with any District Board member, directly or indirectly, whether in person or through agents, employees, or lobbyists, or otherwise to influence the vote of any District Board member, in connection with any pending award of a contract for which a solicitation has been issued, in any manner not strictly in compliance with the requirements and restrictions of this section shall be deemed in violation of the black out period restriction. The District Board may disqualify a bid or proposal in connection with a procurement matter where District Board members or a member of the pertinent procurement committee has been lobbied in violation of the black out period (as defined in the formal solicitation section of this document) restrictions.

## CCNA

### ACQUISITION OF PROFESSIONAL SERVICES UNDER CONSULTANTS' COMPETITIVE NEGOTIATION ACT

#### PURPOSE

These procedures are established to ensure the District is in compliance with Section 287.055 the "Consultants' Competitive Negotiation Act" ("CCNA") and 190.033, Florida Statutes. Changes in these Statutes shall change requirements in this section which are impacted by the change. In addition, these Policies and Procedures are designed to establish guidelines for the use by District staff in making recommendations to the Board for engaging architects, landscape architects, professional engineers and registered surveyors and mappers for professional services required for District projects. The following is a summary:

1. Establishes procedures by which professional services of architects, professional engineers, landscape architects, and registered surveyors and mappers are to be acquired for jobs with the District. It provides that professional firms should be chosen on quality of personnel, past performance, and ability to meet time requirements.
2. Requires the District to announce in a uniform manner each occasion when professional services are required for a project where the basic construction cost is estimated to be more than the threshold amount for CATEGORY FIVE (\$250,000) of Section 287.017, Florida Statutes, or for a planning or study activity when the fee for professional services exceeds the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO (\$25,000).
3. Provides for competitive negotiations with no fewer than three (3) firms most qualified for the job and provides that the firm receiving the award of contract execute a truth-in-negotiation certificate for contracts with a fee in excess of the threshold amount for CATEGORY FOUR (\$150,000.) of Section 287.017, Florida Statutes.
4. Provides for alternate procedures in case of valid public emergencies.
5. Prohibits the payment of contingent fees for such professional services and sets criminal penalties for violations. Provides special rules for design-build contracts.
6. Definitions:
  - a. Professional Services – those services within the scope of practice of architecture, professional engineering, landscape architecture, or

registered surveying and mapping, as defined by the laws of the State of Florida, or those performed by any architect, professional engineer, landscape architect, or registered surveyor and mapper in connection with his or her professional employment or practice.

- b. Compensation – the total amount paid by the District for professional services.
- c. User Department – the department of the District which initiates the project and/or uses the final product of the professional services work.
- d. Project – the work, activity, or task(s) described in the public notice.
- e. Continuing Contract – a contract for professional services under the CCNA for projects where construction costs do not exceed \$1,000,000, when the professional service fee does not exceed \$50,000, or for work of a specified nature as outlined in the contract, with no time limitation except that the contract shall provide a termination clause.
- f. Design-Build Firm – a legal entity which is either state certified to contract through a general contractor or building contractor, or state certified to practice engineering, architecture, or landscape architecture.
- g. Design-Build Contract – a single contract with a design-build firm for the design and construction of a public construction project.
- h. Design Criteria Package – concise, performance-oriented drawings or specifications of the public construction project, in compliance with all federal, state and local laws, ordinances or codes, including such criteria as site legal description, site survey information, interior space requirements, material quality standards, schematic layouts and project conceptual design criteria, cost or budget estimates, design and construction standards, site development requirements, provisions for utilities, storm water retention and disposal and parking requirements.
- i. Design Criteria Professional – a firm which holds a current certificate of registration under Chapter 481, Florida Statutes, to practice architecture or landscape architecture or a firm which holds a current certificate as a registered engineer under Chapter 471, Florida Statutes, to practice engineering and who is employed by or under contract to the District for the providing of professional architect, landscape architect, or engineering services in

connection with the preparation of a design criteria package.

## POLICIES AND PROCEDURES

1. **Public Announcement and Qualification Procedures:** The Purchasing Department shall publicly advertise and solicit proposals from those consultants on the list maintained by the Purchasing Department in a uniform manner on each occasion when professional services are required to be purchased for a project. The public notice shall include a general description of the project and shall indicate how, and the time within which, interested consultants may apply for consideration. In addition to the public notice, the Purchasing Department shall notify any vendors who have indicated an interest in furnishing these goods and/or services to the District and are currently registered with the electronic notification system as a supplier of the specified goods and/or services and who have not previously been denied the right to submit formal solicitations to the District.
2. **Performance Evaluation of Consultant After Contract is Completed:**
  - a. During and/or at the end of a specific contract, the Purchasing Department and any other departments involved in the contract shall evaluate the ongoing and past performances of firms providing professional services to the District.
  - b. Criteria used in the evaluation process at the end of a specific contract should include, but need not be limited to, design quality, ability to meet budget and schedule, constructability of the design, and such other factors as may be determined to be applicable.
  - c. Results of this consultant evaluation process will be used in future competitive selections of consultants for subsequent work.
  - d. Consultants have the right to inspect their evaluation and request clarification.
3. **Professional Services Committee (Selection Committee):** The Professional Services Committee, which shall be ad hoc for each project, shall be comprised of the following members appointed by the District Manager.
  - a. Director of user department or designee (who shall serve as chair).
  - b. Another department director or designee.
  - c. Other staff members approved by the District Manager as

applicable.

- d. The Purchasing Authority or designee shall serve as staff to the Committee without any voting privileges or powers to evaluate any proposer.
- e. No two members of the Professional Services Committee shall be from the same department or under the direct supervision of another member; except that this prohibition does not apply for projects where the Professional Services Committee membership is expanded to more than three (3) members, and where the members of the committee from the same department do not comprise a majority of the voting members present during any vote. Nothing herein shall prohibit the District Manager from serving as a member of the Professional Services Committee.

#### 4. Competitive Selection:

- a. Recommendation for Selection – All meetings of the Professional Services Committee shall be open to the public and shall be posted in a public area within the Purchasing Department. For each proposed project, the Professional Services Committee may conduct discussions with and may require public presentations by no less than three (3) firms, regarding their qualifications, approach to the project, and ability to furnish the required services. Prior to each selection process, the Professional Services Committee shall (on a project-by-project basis) determine the allotted time for the presentation, the mode and manner of presentation and any other matter relating to the presentation. The Professional Services Committee may restrict the nature of the submittals to control the costs of preparation including, but not limited to such matters as the size and number of pages, the use of color photographs or copies of photographs, use of computer enhancements, visual or imaging reproductions and any other expensive technology.
- b. Any questions regarding a project or a submittal shall be directed to the designated person in the Purchasing Department for a response. There shall not be any contact between a proposer and any member of the selection or negotiating committee or any member of the District Board regarding the project or proposal submitted by any proposer. Should any member of the selection or negotiating committee initiate contact or fail to report any contact, such committee member may be subject to disciplinary action up to and including dismissal. Any proposer contacting any committee member or member of the Board regarding a submitted proposal, is subject to sanctions up to and including having the District

disqualify that firm's submittal.

- c. It is within the discretion of the Professional Services Committee to determine whether to require presentations from the Proposers or merely to review the proposals without presentations. Regardless of the method of review selected, following due consideration, the Professional Services Committee shall rank the firms deemed to be the most highly qualified to perform the required services. Recommendation for selection of the firms shall be based on, but not limited to, the following criteria.
  - i. Approach to the project and ability to furnish the required services.
  - ii. Ability of professional personnel.
  - iii. Willingness to meet time and budget requirements.
  - iv. The number of personnel that will be utilized for the project and man-hour loadings for the project, if applicable.
  - v. Past performance as consultant for the District on other projects.
  - vi. Location insofar as it affects the ability of Proposers to monitor a project, if needed, and other logistical considerations inherent in monitoring or supervising a project from a distant site where this has a substantial effect on the ability of a proposer to perform.
  - vii. Recent, current and projected workloads of the firm.
  - viii. Volume of work done by the consultant for the District within the past year. (Past year is defined as the twelve (12) months preceding the end of the month immediately prior to the consultant's submittal date). Since the intent of the CCNA is to effectuate an equitable distribution of work among qualified firms, it is contemplated that in an otherwise equal situation, work would be given to a firm who has not done or has done little work for the District in the previous year.
  - ix. Additional criteria may be added by the Purchasing Authority or designee for each project as warranted or required. The object is to effect an equitable distribution of contracts among qualified firms, provided such distribution does not

violate the principle of selection of the most highly qualified firm.

5. Competitive Selection Exception – The competitive selection procedures defined herein shall not necessarily be applicable for professional services not required to be procured under the CCNA, except as otherwise stated herein. Professional Services contracts for a project of which the basic construction cost is estimated by the District to be not in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY FIVE or for a planning or study activity when the fee for professional services is not in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO are not required to be awarded under the provision of the CCNA.
6. Continuing Contracts Permitted – Nothing in these Policies and Procedures shall be construed to prohibit a continuing contract between a firm and the District which are in compliance with the CCNA.
7. Consideration of Costs or Compensation – Any costs or compensation to any firm may be considered only during competitive negotiations. Such negotiations shall not occur until after the most qualified firms have been selected by the Professional Services Committee and the ranking approved by the District Board.
8. Committee Recommendation to the Board – The Professional Services Committee shall select and rank no fewer than three (3) firms as the most highly qualified to perform the required services. The Professional Services Committee shall forward its recommendation of the firms in ranked order to the Purchasing Department who in turn forwards same to the District Board for approval with the consultant evaluation form for each firm showing the scoring of each. If the Board approves the Professional Services Committee's recommendation, the District Manager and the Purchasing Authority or their designees shall serve as negotiating committee. If the Board rejects the recommendation of the firms ranked by the Professional Services Committee, the Board may schedule its own interviews and rank the firms, return the proposals to the committee for re-evaluation or take whatever action the Board deems to be in the best interest of the District.
9. Competitive Contract Negotiations – Once the Board approves the ranking of the firms, the negotiation committee as mentioned herein shall attempt to negotiate a contract with the most qualified firm. Should the negotiation committee be unable to negotiate a satisfactory contract with the firm considered to be the most qualified at a price the District determines to be fair, competitive and reasonable, negotiations with the firm shall be formally terminated by the negotiation committee. The negotiation

committee shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, the negotiation committee shall terminate negotiations. The negotiation committee shall then undertake negotiations with the third most qualified firm. Should the negotiation committee be unable to negotiate a satisfactory contract with any of the selected firms, the Professional Services Committee shall select and advertise for additional firms and rank them in the order of their competence and qualifications, and negotiations will continue in accordance with these Policies and Procedures until an agreement is reached.

- a. After an agreement is reached, the Purchasing Department shall prepare a recommendation to the Board to approve the agreement. If the Board approves the agreement, the agreement will be executed by all parties.
- b. If the Board rejects the agreement, the Board shall not divulge what price is acceptable to it, but may direct the negotiating committee to renegotiate with the firm. If a new agreement is reached, it shall be presented to the Board for approval. If the Board approves the agreement, a contract shall be provided and executed by all parties. If an agreement is not reached after the second round of negotiations with the firm, again, without the Board divulging an acceptable price, the Board shall instruct the negotiating committee to begin negotiation with the second ranked firm following these procedures until a contract is executed or if an agreement cannot be reached to negotiate with the third ranked firm.

10. Contract Negotiation – For projects identified and certified as valid public emergencies by the District Manager (subject to approval or ratification of the District Board), the Purchasing Department using its best efforts and judgment shall select the three (3) most qualified firms unless the urgency of the situation require that one firm be engaged immediately, from the list maintained by the Purchasing Department or obtained by other means. The Purchasing Department shall then select and negotiate with the most qualified firms considering the nature and extent of the emergency. At the earliest, practical time the Purchasing Department shall present to the Board an agenda item ratifying the selection of the firm selected during the emergency. The agenda item shall sufficiently apprise the Board of the nature of the emergency and the reason why the normal selection procedure could not be followed.

11. Truth-in-Negotiations – For any lump-sum or cost-plus-a-fixed-fee professional service contract over the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY FOUR, the District shall require the firm receiving the award to execute a truth-in-negotiation



certificate stating that wage rates and other factual unit costs supporting the compensation are accurate, complete and current at the time of contracting. Any professional service under which such a certificate is required shall contain a provision that the original contract price and any additions thereto shall be adjusted to exclude any significant sums by which the District determines the contract price was increased due to inaccurate, incomplete or non-current wage rates and other factual unit costs. All such contract adjustments shall be made within one (1) year following the end of the contract.

12. Prohibition Against Contingent Fees – The District Manager shall be responsible for assuring that all contracts for professional services contain the required “prohibition against contingent fees” as contained in Section 287.055(6), Florida Statutes, of the CCNA.
13. Design-Build Contracts – Except as provided herein, these Policies and Procedures are not applicable to the procurement of design-build contracts, which shall be awarded in accordance with the rules of the District. The following shall apply to the award of design-build contracts.
  - a. If the District Manager determines that a design-build contract is the appropriate method of procurement for any construction project, a design criteria package for the design and construction of the project shall be prepared and sealed by a design criteria professional either employed or retained by the District.
  - b. A design criteria professional who has been selected to prepare the design criteria package shall not be eligible to render services under a design-build contract executed pursuant to the design criteria package.
  - c. The District Manager or their designee shall establish criteria, procedures, and standards for the evaluation of design-build contract proposals or bids, based on price, and technical and design aspects of the construction project, weighted for the project.
  - d. For each public construction project involving the award of a design-build contract, the District Manager or their designee, shall recommend to the District Board no fewer than three (3) design-build firms as the most qualified, based on the qualifications, availability, and past work of the firms, including the partners and members thereof. The District shall then solicit competitive proposals pursuant to the prepared design criteria package from those design-build firms which have been determined to be the most qualified for the public construction project under consideration.

- e. The Purchasing Authority or their designee, shall evaluate the proposals or bids in consultation with the staff or the design criteria professional and the Professional Services Committee for that project. The Purchasing Authority shall recommend to the District Board a design-build contract. The award of the design-build contract shall be based upon the evaluation criteria established by the District for the public construction project under consideration. The design-build contract shall provide for the District's supervision or approval of the detailed working drawings of the project, and for the design criteria professional's evaluation of the compliance of project construction with the design criteria package.
  
- f. In the case of valid public emergency, the District Manager may declare an emergency, suspend the procedures specified herein, and authorize negotiations of a design-build contract with the best qualified design-build firm available at that time. This emergency procedure shall be ratified by the Board at the next scheduled Board meeting.

## **NON-CCNA**

### **ACQUISITION OF PROFESSIONAL SERVICES NOT WITHIN THE SCOPE OF CCNA**

#### **PURPOSE**

Many professional services such as accountants, physicians, attorneys, etc. do not come under the jurisdiction of the CCNA. Other services are exempt from CCNA requirements because they are under the threshold statutory requirements. For these non-CCNA professional services, CCNA procedures will generally be followed. However, the District Manager or designee, for any non-CCNA required professional service to ensure that the District is obtaining the most qualified firm at terms in the best interests of the District, may use any of the following selection methods:

1. Competitive bidding
2. Competitive negotiation
3. Request for qualification
4. Request for proposal
5. Request for information
6. Any other method allowed or permitted by law ensuring the District selects the most qualified firm at the lowest cost

The Board must approve any contract entered into with any firm providing professional services selected by any of the aforementioned means.

#### **EXCEPTIONS**

Due to the highly specialized nature of selecting outside counsel to represent the District and the selection of expert witnesses and consultants to either testify or assist in litigation, these services will be selected by the District's Attorney who will not be required to follow these procedures. Nevertheless, in selecting outside counsel and other litigation experts, the District's Attorney should be mindful of the costs involved and should strive to select those firms and individuals who are the most qualified and who can provide the services to the District at the lowest cost.

## **LEASES, CONTRACTS AND AGREEMENTS**

### **PURPOSE**

All procurement leases, contracts and agreements shall be deemed to include all provisions of Florida Statute 190.033 and Florida Statute 287.058 and other laws pertaining to the District government. All procurement contracts shall be subject to such provisions and laws regardless of whether such laws are referred to in the procurement contract.

Every procurement of goods and/or services \$25,000 and over shall require a written contract or agreement which includes all provisions and conditions of the procurement. In lieu of written contract or agreement, the Purchasing Authority or District Manager may authorize the use of a Purchase Order.

Goods and services provided on a recurring basis shall require a lease, contract or agreement where contract language will protect the District from certain risks and liabilities or when required by the vendor. The Purchasing Authority shall assist in determining the need for leases, contracts, and agreements for the aforementioned circumstances.

All contracts shall be prepared and processed by the Purchasing Department unless prepared by the vendor/consultant and approved by the District Manager or Purchasing Authority. All contracts, leases, and agreements \$25,000 and over shall be reviewed by the District's Attorney prior to execution. In determining the value of the contract, all proposed renewal clauses must be considered.

The Board of Supervisors of the District responsible for the payment of the goods and services shall be approval/execution authority.

### **REQUIREMENTS**

1. All contracts for supplies, services and construction shall include provisions necessary to define the responsibilities and rights of the parties to the contract.
2. The Purchasing Authority, after consultation with the District's Attorney, or his/her designee, may include clauses appropriate for this purpose in bid and proposal specifications and contracts.
3. The Purchasing Authority, after consultation with the District's Attorney, or his/her designee, may establish standard contract clauses and vary any such standard contract clauses for any particular contract.
4. Once executed by the Board of Supervisors, the User Department shall complete a Purchase Requisition and follow the Purchase Order

guidelines.

5. For leases, contracts and agreements spanning multiple fiscal years, Purchase Requisitions and Purchase Orders shall be generated each fiscal year.
6. Nothing in this section prohibits the use of the Purchasing Card Program to pay for lease, agreement or contract invoices.

#### PROHIBITIONS

1. No contract can offer indemnity by the District to another party.
2. No contract can waive the District's sovereign immunity.
3. No contract can authorize advance payments.
4. No contract can contain an indeterminate dollar exposure.

## **PURCHASING CARDS**

### **1. INTRODUCTION**

The District has approved the PURCHASING CARD as the District's alternate method of payment, as preferred by the Purchasing Department. The PURCHASING CARD program is designed to improve efficiency in processing purchases from any vendor that accepts a Visa credit card.

This program will allow the cardholder to purchase approved commodities and services directly from vendors. Each PURCHASING CARD is issued to a named individual and the District is clearly shown on the card as the Governmental buyer of goods and services.

The District Manager, Purchasing Department and Finance Department will monitor the performance of the program.

### **2. PURPOSE**

- a. To establish policies and procedures pertaining to acquisitions in support of purchase requirements using the District's PURCHASING CARD Program. The purpose of these policies and procedures is to accomplish the following:
  - i. To provide an efficient method of purchasing and paying for goods and services.
  - ii. To ensure PURCHASING CARD purchases are in accordance with the District's policies and procedures.
  - iii. To ensure that the District bears no legal liability from inappropriate use of PURCHASING CARDS.
  - iv. To provide for disciplinary action for an employee if the PURCHASING CARD is misused.
- b. The policies and procedures provided herein are minimum standards for Departments. Departments may establish additional controls if necessary with approval of the District Manager.

### **3. RESPONSIBILITIES**

- a. The Purchasing Department shall:
  - i. Assume overall responsibility for administering the PURCHASING CARD program.

- ii. Establish purchase procedures.
  - iii. Inform Department Directors when situations arise involving improper use of the PURCHASING CARD.
  - iv. Revoke the delegation of purchasing authority and the Purchasing Card as required.
  - v. Ensure coordination with the Finance Department.
  - vi. Issue new Purchasing Cards as requested by Department Directors.
- b. The Department Director will:
- i. Approve all single purchases \$1,000.00 and over prior to purchase.
  - ii. Ensure that proper quoting procedures were followed.
  - iii. Designate departmental representatives.
  - iv. Establish internal control and billing statement review and approval procedures for his/her department.
  - v. Approve the monthly billing statement for payment in a timely manner. Approved monthly statements shall be forwarded to Finance, Accounts Payable Section, no more than five (5) days after receipt.
  - vi. Request PURCHASING CARDS for appropriate personnel within department using the appropriate request form (See Appendix "A" – Forms).
  - vii. Administrate policy involving the improper use of the PURCHASING CARD by department personnel.
- c. A designated departmental representative will:
- i. Comply with the procedures set forth in these PURCHASING CARD guidelines.
  - ii. Review copies the Weekly Activity Report and corresponding receipts for validity and accuracy.
  - iii. Serve as liaison to the Purchasing Department.
  - iv. Monitor all disputed purchases, credits or billing errors. Disputes or

errors which cannot be resolved will be referred to the Purchasing Authority.

#### 4. POLICIES AND PROCEDURES

##### a. Assignments and Control of the PURCHASING CARD

##### i. Requests for and issuance of PURCHASING CARDS

1. All requests for PURCHASING CARDS must be made by the Department Director or their authorized designee.
2. PURCHASING CARDS will be issued to individual employees who frequently purchase goods for their department.
3. No PURCHASING CARD will be issued to an employee in probationary status unless approved in writing by the District Manager.

ii. The PURCHASING CARD will have the employee's name, the District name and tax exempt number, and the expiration date embossed on the face of the card.

iii. All requests for new cardholders or for changes to current cardholders must be made by submitting a request form to the Purchasing Department.

iv. When the Purchasing Department receives a PURCHASING CARD from the issuing institution, the cardholder will be required to personally take receipt of the card and sign a certification and receipt form. The cardholder will be given a copy of the PURCHASING CARD Policies and Procedures guide and an oral review of the program. In the signing of the Cardholder Agreement Form, the Cardholder acknowledges he/she has read and understands the policies and procedures.

v. The Purchasing Department will notify the requesting department and the Finance Department, Accounts Payable Section, upon the issuance of all PURCHASING CARDS.

##### b. TRAINING

All Departmental Directors, Department Representatives, and Card Holders are required to complete a mandatory training course given by the Purchasing Department that covers policy and administration procedures for the PURCHASING CARD use, the reporting and payment process, small purchase procedures, procurement integrity, PURCHASING CARD security and Cardholder Agreement Form. To schedule this training, contact the Purchasing Department. **NO ACCOUNTS MAY BE**



ESTABLISHED UNTIL BOTH THE CARDHOLDER AND APPROVING OFFICIAL COMPLETE THE REQUIRED TRAINING.

## 5. PURCHASING CARD SECURITY

- a. Safeguarding the PURCHASING CARD: It is the cardholder's responsibility to safeguard the PURCHASING CARD and the account number at all times. The cardholder must take reasonable precautions to protect the card and the account number from loss or theft. The Department Director shall designate individuals to use the PURCHASING CARD. A violation of this trust will require the card to be taken from the cardholder with the possibility of subsequent disciplinary action.
- b. Lost or Stolen Cards
  - i. Reporting lost card to the issuing institution: If a card is lost or stolen, the cardholder should immediately notify the issuing institution at the appropriate phone number and address.
  - ii. Lost Cards must be reported to the Departmental Representative: The Department Director shall also be notified in writing of a lost or stolen card immediately after discovering the card missing.
  - iii. Reporting to Purchasing Department: The Cardholder will submit a written report to the Purchasing Department within two (2) working days. The report shall include:
    1. Cardholder's name.
    2. The PURCHASING CARD number.
    3. The Department Director's complete name.
    4. The date and location of loss.
    5. Date and time the issuing institution was notified.
    6. Any purchases made on the day the card was lost/stolen.
    7. Any other pertinent information.
  - iv. The Purchasing Department shall notify the Finance Department, Accounts Payable Section, of any lost or stolen cards.
  - v. Issuance of Replacement Card: After investigations as to reasons for loss of card, Department Director will decide if new card should be requested for the same individual and if so, request same, with backup information, to Purchasing Department. If the decision is made to replace the card, the issuing institution will mail a new card within five (5) business days of the request for replacement. If the original card is found after it has been replaced, the Department Director should cut the original card in half and give it to the Purchasing Department.

c. Termination or Transfer of Cardholder

- i. When an employee ends his or her employment, changes job status, is transferred to another department, or misuses or untimely approves transactions, the Department Director must collect the PURCHASING CARD. The department must then send the card along with the cancellation notice form to the Purchasing Department for cancellation and proper disposal.
- ii. If the department is unable to collect the PURCHASING CARD when an employee is terminated, or for any other reason, the Department Director must immediately notify the Purchasing Department. The Purchasing Department will ensure that the card is canceled.

d. Authorized Use of the Card

- i. Cardholder Use Only: The PURCHASING CARD may be used only by the employee whose name is embossed on the PURCHASING CARD. NO OTHER PERSON IS AUTHORIZED TO USE THE CARD. Use of the card will be limited as to commodities and services that can be purchased and to vendors that accept VISA cards.
- ii. District Purchases Only: The PURCHASING CARD is to be used for authorized District purchases only. The PURCHASING CARD may be used only within the limitations of the threshold amount as submitted by the Department's Director and approved by the District Manager. Cardholders are expected to follow appropriate state laws and guidelines as well as use reasonable judgment when making purchases.
- iii. Misuse of Card: THE PURCHASING CARD CANNOT BE USED FOR ANY PERSONAL USE; ANY SUCH MISUSE WILL REQUIRE IMMEDIATE REIMBURSEMENT AND COULD RESULT IN A DISCIPLINARY ACTION UP TO AND INCLUDING DISMISSAL. DISCIPLINARY ACTION WILL BE UP TO THE PURCHASING AUTHORITY AND THE DEPARTMENT DIRECTOR. THE FOLLOWING GUIDELINES WILL BE UTILIZED:
  1. First Offense - written warning by Purchasing Department and Department Director. Copy in PURCHASING CARD file maintained at Purchasing.
  2. Second Offense - Suspension of PURCHASING CARD for 6 months by Purchasing Authority and Department Director. Copy in PURCHASING CARD file maintained in the Purchasing Department.
  3. Third Offense - Suspension of PURCHASING CARD completely,

by Purchasing Authority. Copy in PURCHASING file maintained at Purchasing Department and copy sent to Human Resources.

4. Additional disciplinary action, other than suspension from the PURCHASING CARD PROGRAM, will be up to the individual Department Head and the Human Resource Director, based on the seriousness of the offense.
- 
- iv. Correcting Misuse of Card: Upon realizing a cardholder misused their card, they are to immediately get a credit from the vendor, notify department representative of circumstances. The Purchasing Department must also be notified by the next business day. If the cardholder is unable to obtain a credit, they must send a check to the Finance Department for the full amount of the unallowable purchase along with an explanation of what occurred and what steps were taken to try and obtain a credit. The Purchasing Department must also be sent a copy of this report. Do NOT wait until the end of the month to notify the Department Representative, Finance and the Purchasing Department. The District Procurement Policies apply when using the PURCHASING CARD as when using other methods. Violations of Procurement Policies may result in disciplinary action.
  - v. Single Purchase: The total cost of any transaction must not exceed the established single purchase limit for that cardholder. A single purchase may be comprised of multiple items purchased in one transaction. All items purchased to meet a single requirement must be purchased in one transaction. A SINGLE PURCHASE SHALL NOT BE SPLIT INTO TWO OR MORE TRANSACTIONS TO STAY WITHIN THE SINGLE PURCHASE LIMIT.
  - vi. Capital Purchases: Departments may order capital purchases with a PURCHASING CARD, with prior written authorization from Department Director and Purchasing Department. Written request must include the following information: Department name and number, ship to address, account code, description of merchandise, state contract number (if applicable) delivery date requested, vendor name, contact name, vendor address and phone number, and all necessary (if required) back up documentation. The Department must obtain all necessary signatures/approvals and forward to the Purchasing Department. Once Purchasing has approved, a request for the item will be made to the vendor.
  - vii. Availability of Items: All items/services purchased with the PURCHASING CARD over the counter must be available immediately. The Department Director or designee must inform the merchant that the transaction may not be charged to the PURCHASING CARD account until the items are rendered or services are shipped.

1. Over the Counter Purchases: All items/services purchased over the counter must be obtained by the cardholder at the time of the purchase. Items/services that are not available at the time of purchase may not be included in the purchase for later pickup.
  2. Telephone Orders: All items ordered by telephone with the PURCHASING CARD must be available to be delivered in a single delivery. If part of an order is not completely available, do not order from that vendor until there is 100% of the order stocked. The Department Director or designee must instruct the merchant to charge the PURCHASING CARD account at the time of shipment, so that the items are received before the charge appears on the statement of account. When making a telephone order the merchant must include a sales slip with the order. Telephone orders shall not be placed without this assurance.
  3. Purchases exempt from sales tax: All purchases made by telephone or over the counter are tax exempt. The department Director or Designee must inform the vendor that the purchases are for official District purposes and are not subject to state or local sales tax. If requested by the vendor, the cardholder is responsible for providing the vendor with the appropriate tax exemption certificate.
  4. Any single purchase exceeding or equal to \$1,000.00 must have prior Department Director approval.
- e. Prohibited Purchases: Unless otherwise permitted by the Purchasing Department under general circumstances, the PURCHASING CARD shall not be used for the following:
- i. CASH ADVANCES: NOT PERMITTED UNDER ANY CIRCUMSTANCES.
  - ii. Purchase of consultant or personal services.
  - iii. Any other items currently under a master contract or prohibited from purchase by District policies.
  - iv. Meals.
  - v. Alcoholic beverages, tobacco products.
  - vi. Entertainment expenses.
  - vii. Capital expenditures, unless purchase is made as defined in section (d)(vi).

## 6. PROCEDURES FOR MAKING AND PAYING FOR PURCHASES

- a. Weekly Activity Report - A weekly activity report must be generated and sent to the Finance Department, Accounts Payable Section, with the original corresponding receipts/invoices for any purchases made using the PURCHASING CARD. The report must be generated and signed by each individual cardholder. A copy of the weekly activity report and the corresponding receipts should also be kept with the Department Representative for monthly reconciliation.
- b. Documentation for Over-the-Counter Purchases
  - i. When an over-the-counter purchase is made, the cardholder must obtain the customer's copy of the charge slip and an invoice or receipt specifically describing each item purchased.
  - ii. The cardholder must ensure that no sales tax has been charged.
  - iii. The charge slip will be retained by the cardholder until forwarded to Finance, Accounts Payable Section, with the Weekly Activity Report.
- c. Telephone/Fax/Internet Orders - When placing a telephone order, the cardholder must confirm that the vendor will charge the PURCHASING CARD WHEN SHIPMENT IS MADE so that receipt of the commodities may be certified on the monthly Statement of Account. The customer copy of the charge slip must be mailed or picked up by the cardholder. Internet orders must be documented by printing and signing the order confirmation screen.
- d. Missing Documentation - If for some reason the cardholder does not have documentation of the transaction to send with the statement, the cardholder must attach a description of the purchase. Continued incidents of missing documentation may result in the cancellation of the employee's PURCHASING CARD by the Purchasing Department.
- e. Payment and Invoice Procedures
  - i. Distribution of Billing Statements
    - 1. The Billing Statement will be sent to each individual cardholder by Bank of America.
    - 2. The Billing Statement will list all transactions processed during the previous thirty (30) days.
    - 3. If no purchases were made on the PURCHASING CARD during the

billing cycle, a Statement will not be generated unless adjustments for previously billed transactions have been processed during that cycle.

ii. Cardholder Responsibility

1. Hold and secure Purchasing Card.
2. Order goods/services.
3. Receive and inspect all ordered goods/services.
4. Stamp the date received on the statement immediately.
5. Identify items listed on invoice.
6. Cardholder should reconcile transactions as they are received. Any discrepancies found should be resolved with the merchant. If a resolution cannot be reached with the merchant, the transaction should be disputed through Bank of America. The Purchasing Department will need a copy of ALL disputes and will notify the Finance Department, Accounts Payable Section, of the discrepancies.
7. Forward Weekly Activity Report and Monthly Billing Statement to Finance Department. Both the Report and the Statement must balance and be properly coded with the District, Fund and Account for proper allocation of costs.

iii. Departmental Representative Responsibility

1. Review all charges for appropriateness (items purchased, amount, and vendor), account coding and proper authorization and ensure all charges are proved by attached receipts and signed documentation. Ensure purchases were necessary and for official use.
2. If any purchase(s) are questioned as to appropriateness, report items to the Department Director immediately.
3. Ensure that all Weekly Reports and Billing Statements for all department cardholders are forwarded to Finance within five (5) working days to ensure prompt payment.
4. Each Department will reconcile PURCHASING CARD reports (Weekly Activity Reports) against merchant receipts weekly. Any suspicious or abnormal card usage found during the reconciliation process should be reported to the Purchasing Department.

iv. Department Director Responsibility

1. When purchases are questioned, the Department Director or designee will be responsible for resolving the issue with the cardholder. If the Department Director or designee cannot be satisfied that the purchase was necessary and for official use, the

cardholder must either provide a credit voucher proving the item(s) were returned for credit or a personal check for the full amount of the purchase. Checks must be sent to the Finance Department, Accounts Payable Section, and copies to the Purchasing Department with an explanation and account number.

2. Misuse of the PURCHASING CARD may result in the revocation of the card. Employees incorrectly using their PURCHASING CARD will be disciplined by the Department Director and/or the Purchasing Department in accordance with the District policies and procedures. In addition, the employee may be personally liable to the District for the amount of any non-approved purchases and may be subject to legal action by the District.
3. The Department Director or their authorized designee shall review and approve the monthly statement.
4. Once approved by the Department Director, all Monthly Billing Statements Reports are to be forwarded to the Finance Department, Accounts Payable Section, for payment.

v. The Finance Department Responsibility (Accounts Payable Section)

1. Assure that the consolidated statement received is reconciled against the individual cardholder Weekly Activity Reports forwarded from the Departments and ensure that the PURCHASING CARD charges are paid timely upon receipt from the Departments.
2. Notify the Department Directors and Purchasing Department when individual statements are not received in the allotted time. Continued failure to meet the five (5) work day deadline may result in revocation of the PURCHASING CARD(S) at the discretion of the Purchasing Authority.
3. Make payment to the Purchasing Card Contractor within the State Purchasing Card Agreement contractual time constraints.

f. Disputed Charges

- i. If the statement contains an error, or an item or transaction for merchandise that has not yet been received, the cardholder must first attempt to resolve the problem with the merchant by requesting a credit. Cardholder should not ask Bank of America for a credit until vendor has refused to issue a credit. At that time, the appropriate dispute form should be filled out (See Appendix "A" – Forms), sent to Bank of America and a copy sent to the Purchasing Department and Finance Department, Accounts Payable Section.
- ii. If items purchased with the purchasing card are defective, the cardholder must return the item(s) to the vendor within (10) working days for replacement or credit. If the service paid for with the

PURCHASING CARD is faulty, the vendor must be notified and asked to correct the situation or provide a credit. If the vendor refuses to replace or correct the faulty item or service, the purchase will be considered in dispute. Any action taken under this provision shall be documented in writing to Bank of America and a copy of the dispute sent to the Purchasing Department and to the Finance Department, Accounts Payable Section.

- iii. A disputed item must be explained with a note on the cardholder's Statement of Account before the statement is forwarded to the Finance Department, Accounts Payable Section, for payment.
  - iv. Disputes should be handled within 90 days or in most cases, the dispute will be outdated and Bank of America can not dispute with the vendor. Therefore, it is essential that the time frames and documentation requirements established by the PURCHASING CARD issuer to be followed to protect the cardholder's right to dispute. The Purchasing Department will track and monitor all disputes until resolved.
7. EMERGENCY CARD - A high limit emergency PURCHASING CARD will be kept by the Purchasing Department in cases of natural disasters or unforeseen circumstances. Necessary purchases will be made for any and all emergencies. Individual PURCHASING CARD limits will be increased on an as needed basis until the emergency is over.
8. MERCHANT SIGN-UP - It is important to the success of the PURCHASING CARD Program that merchants interested in doing business with the District via the PURCHASING CARD receive assistance in doing so. If merchants currently accept VISA credit cards, they are already equipped to accept the District's PURCHASING CARD. A merchant who is not currently accepting VISA credit cards should contact: Bank of America merchant service provider at 1-800-732-9195, their own financial institution, or other merchant service provider.
9. PURCHASE DENIED AT POINT OF SALE ("SWIPE") MACHINE
- a. On occasion a Cardholder may attempt to purchase items from a merchant and the purchase may be denied. In most cases, the information regarding the reason for denial will be available the next day after the purchase is attempted. Some of the most common reasons for denial are:
    - i. The cardholder has attempted to make a purchase from a merchant whose Merchant Category Code (MCC) is not authorized under the Agency or Cardholder's profile. Bank of America monitors



PURCHASING CARD usage. Attempts to purchase goods/services from blocked merchants are reported to the Purchasing Department.

- ii. The purchase from the merchant may be greater than the Cardholder's single transaction limit. The purchase from the merchant may place the Cardholder over the authorized daily, monthly or cycle limit.
10. RECORD KEEPING - Itemized Merchant Sales (charge) receipts (i.e., purchase documentation that identifies items purchased and amount paid for each item) or any other back-up material is kept and filed with the reconciliation documents in the Finance Department. Other documentation may include shipping documents and bills of lading. All documents and records must be maintained in accordance with appropriate Florida laws.

## 11. TAXES

- a. Purchases made in Florida and for use in Florida are exempt from Florida Sales and Use taxes. The District's tax exempt identification number is printed on the face of the PURCHASING CARD and should be sufficient information for the merchant to honor the tax-exempt status of the PURCHASING CARD.
- b. Copies of tax exempt certificates for the numbered districts should be kept on file with the Cardholder and provided to vendors when appropriate.
- c. Purchases made in other states are generally subject to that state's sales tax. Examples include supplies purchased either while traveling or for use in that state. However, items shipped interstate for consumption in Florida are not normally subject to the sales tax from the shipping location.
- d. As with all District purchases, the Cardholder must be diligent when dealing with the merchant regarding taxes. The Cardholder will be unable to dispute taxes charged since the PURCHASING CARD issuing institution cannot process a charge back to the merchant for taxes. The Cardholder may be responsible for securing a credit or payment of taxes if required.

## PURCHASE ORDERS

The Purchase Order is the formal written notice to a vendor that the District has authorized the purchase of the goods and services described in detail on the Purchase Order document. A Purchase Order is required for the procurement of all goods and services unless the District's Purchasing Card program is utilized. Exceptions are as follows:

1. Contracts for Professional Services (CCNA) as defined in F.S. 287.055.
2. Employee or Board member expenses such as conference expenses, travel, mileage, and other reimbursable expenses.
3. Utility, Telephone Bills, etc.
4. Insurance Premiums.
5. Legal fees.
6. Advertising (legal and miscellaneous ads).
7. Document recording/filing fees.
8. Building permits.
9. Real property purchase, rental or lease.
10. Interdepartmental billing.
11. Interlocal / Intergovernmental Agreements.
12. Grants.
13. Labor and employment agreements.
14. Other Board awards as determined on a case by case basis.

## PROCEDURE

1. A Purchase Requisition must be completed and signed by the User Department Director, Finance Department and District Manager before the Purchasing Department will initiate the purchasing process. (See Appendix "A" – Forms). Purchase Requisitions less than \$100.00 do not require District Manager approval.
2. The original signed Purchase Requisition shall remain with the original Purchase Order (white copy).
3. A Purchase Order will be issued by the Purchasing Department in triplicate (white, yellow, pink) and the order is placed with the vendor by the Purchasing Department. The Terms and Conditions supplement must accompany each Purchase Order when order is placed with the vendor.
  - a. WHITE – (Original). This copy is sent to the Finance Department with the original signed Purchase Requisition.
  - b. YELLOW – (Receiving Copy). This copy is forwarded to the requesting Department for their signature/approval after receiving the goods and/or services. This copy shall be signed and

forwarded to the Finance Department accompanied by the invoice and/or packing slip. Some Purchase Orders may require partial payments (i.e. separate shipping dates). If this is the case, a photocopy of the yellow copy shall be made by the user department for signature and forwarding to Finance with the invoices as they come in. Also, notation shall be made on the Purchase Order as to the price modification. However, the total of partial payments shall not exceed the original Purchase Order price.

- c. PINK – This copy is retained by the Purchasing Department along with a copy of the Purchase Requisition and all pertinent documentation such as quotes and product information.
4. The Purchase Order will be issued with a unique number generated by the Purchasing Department. Standard, contract, disaster and emergency purchase orders will each have their own unique identifier. In particular, disaster purchase orders will have unique identifiers specific to that particular disaster.
5. Purchase Order Follow-Up:
- a. Departments initiating requisitions should keep track of all requisitions and coordinate with the Purchasing Department to ensure requisitions have been received and are valid. It is important that the Purchasing Department be alerted to any time sensitive purchases and that the required delivery date is prominently noted on the Purchase Requisition.
  - b. The function of the Purchasing Department is to facilitate the supply of equipment or services to fulfill staff and departmental requirements. This function is not complete until satisfactory delivery of such items and payment has been made. Follow-up of outstanding Purchase Orders shall be conducted as follows:
    - i. Upon being notified by the ordering department that item(s) on the Purchase Order are past due or needed before the required date, the Purchasing Department will provide the status of the open Purchase Order.
    - ii. The Purchasing Department will either telephone or write the vendor requesting specific reasons as to why delivery has not been made as required. If a valid reason of delay is not established, the order is subject to cancellation. The ordering department will then be notified to either accept the delayed delivery date or authorize the Purchasing Department to cancel the order.

- iii. Continued broken promises and/or poor service shall result in the evaluation of such performance by the Purchasing Authority to determine if the vendor should be removed from the bid and quotation lists.

## 6. Cancellation of Purchase Orders

- a. When a department determines that an order is to be canceled, the Purchasing Department and Finance Department must be notified by the ordering department in writing through the use of a Change Order (See Appendix "A" – Forms).
- b. The Purchasing Department shall cancel the order with the vendor either verbally or in writing. The action must be confirmed by the supplier in writing.
- c. The Purchasing Department will annotate the Purchase Order as "canceled" and state the reason for cancellation.
- d. The Purchasing Department shall notify the Finance Department that the Purchase Order was canceled by sending the original Change Order to the Accounts Payable Department.
- e. The Purchasing Department will also send a copy of the approved Change Order to the User Department.

## 7. Purchase Order Year-End Cutoff

- a. All Departments should exercise extreme diligence to ensure that Purchase Orders are closed prior to the end of the fiscal year and that all invoices for Purchase Orders are processed prior to the date established by Finance as the cutoff date for payment.
- b. In order to facilitate the year-end cutoff, except for emergency purchases and purchases approved by the Purchasing Authority or his/her designee, no requisitions may be submitted to the Purchasing Department the last fifteen (15) days of the fiscal year (September 16 through September 30).

## **CHANGE ORDERS**

In the course of business, it may be necessary to make changes to a Purchase Order. This is accomplished by a Change Order. A user may request a Change Order to any issued Purchase Order for review by the Purchasing Authority. Change Order procedures shall not be used to avoid ANY standard purchasing procedure.

The requesting department must submit a written request for a Change Order for any reason other than a change in freight cost. However, if the original purchase order did not include any freight costs, a change order will be needed. Also, a change order will be needed to correct errors, omissions or discrepancies, to cover acceptable cost over-runs or to incorporate requirements to expand or reduce the scope of goods or services ordered. A written change order is required when a project has changes to the scope of work, exceeds the number of days for substantial completion or has a change in contract price.

Any change orders to purchase orders must be submitted in writing to the Purchasing Department on a Change Order Form (See Appendix "A" – Forms).

If a change order is needed on a construction project and the project is unable to proceed without the approval of a change order, the District Manager has the authority to approve the change order and bring it before the Board at the next regularly scheduled meeting with documented explanation of the condition.

All purchase orders which are equal to or greater than \$25,000 must have Board approval. If a change order causes a purchase order to equal or exceed \$25,000, it must have Board approval.

### **Change Order Procedures**

1. Any change orders to purchase orders must be submitted in writing to the Purchasing Department on the District's Change Order Form.
2. Use the form provided by the Purchasing Department (See Appendix "A" – Forms) and fill out the necessary and applicable fields.
3. The Department Director will sign the form and send to the Finance Department for signature approval.
4. Finance will then forward the change order to District Manager for signature.
5. The Purchasing Authority will then sign and process the change order.
6. If the change order does not exceed the contingency amount or does not

change the scope of work or contract amount, Purchasing will sign the change order and distribute a copy to the vendor, the department and Finance.

7. If the change order exceeds the contract amount or exceeds any contingency or contains an addition to the scope of work, the Purchasing Department will sign the change order and prepare an agenda item for the next available Board meeting.
8. Once the change order is fully executed by the Chairman of the Board, Purchasing will distribute the fully executed change order to the vendor, the department, Finance and the District Manager (if applicable).

## SOLE / SINGLE SOURCE

The term “**sole source**” means that the commodity can be legally purchased from only one source. This is usually due to the source owning patents and/or copyrights. A requirement for a particular proprietary item does **NOT** justify a sole source purchase if there is more than one potential supplier for that item. Use of Brand Names and Model numbers does **NOT** constitute a sole source.

The term “**single source**” means that a commodity can be purchased from multiple sources, but, in order to meet certain functional or performance requirements (repair parts, matching existing equipment or materials) there is only one economically feasible source for the purchase.

The Purchasing Authority may negotiate with a sole source supplier under the following circumstances:

- The needed supply or service is available from only one source/brand.
- The supply or service is wanted for experimental trial or testing.
- Additional supplies or services are needed to complete an ongoing task.
- A supply or service is purchased from, or a sale is made to, another unit of government.
- The item is a component or replacement part for which there is no other commercial distributor.
- Compatibility is the overriding consideration.
- The item is a used item, which is subject to immediate sale.

## PROCEDURES

1. Purchases of goods and/or services from a sole/single source may be exempted from the quoting or bidding requirements upon written submittal to the Purchasing Authority stating the purpose, need, and justification that this product or service is the only one that will produce the desired results. Only after the requesting department has conducted a good faith review of available sources which demonstrates there is one source for the desired supply, service or item, will a sole source purchase be considered. A letter or statement from a dealer, distributor or manufacturer will not be sufficient. The requesting department must submit a Sole/Single Source Justification Form (See Appendix “A” – Forms) to the Purchasing Department. Questions to consider for justification of a Sole Source procurement may include:

- What is the purpose and need of this product or service?
- What functional or performance specifications does this product or service have that others do not have?
- Why was this product or service selected over all other products or services?
- What other vendors’ products/ services have been evaluated?

- Specifically why doesn't each of the other products or services meet the functional or performance requirements?
2. Upon receiving the Sole/Single Source Justification Form, the Purchasing Authority shall review and if he/she concurs that this is the only source for this purchase, shall forward to the District Manager for final approval.
  3. If the purchase exceeds the threshold amount for Category Two (F.S. 287.017) purchases (\$25,000), an agenda item must be prepared by the Purchasing Authority for Board approval.
  4. A record of the sole/single source purchase shall be maintained as a public record and shall list the vendors name, amount, type of purchase, and purchase order number used to make the purchase.
  5. If approved, the requesting department must submit a Purchase Requisition and follow all subsequent procurement policies and procedures.
  6. The Purchasing Authority shall be authorized, after initial sole source certification, to make additional purchases from a sole source vendor for not less than one year or until such time as contrary evidence is presented regarding sole source eligibility, whichever period is less.



## **EMERGENCY PURCHASING**

### **PURPOSE**

An emergency is any condition that may affect the health, safety, and welfare of the residents of the District. It may also be a condition that stops or seriously impairs the necessary function of District government. For those emergencies and/or disasters in which the local, state, or federal government has declared a state of emergency, refer to the "Disaster Purchasing Procedures" section of this manual.

If an emergency situation occurs the following procedures shall be followed.

### **PROCEDURES**

1. If during a normal business day, a Department Director determines that an emergency exists and a purchase is required, the Director shall contact the Purchasing Department to request an emergency purchase order (EPO). A complete description of the emergency and justification for the purchase is required. The emergency must be valid and not just a result of poor planning. If the emergency is anticipated to cost less than \$10,000.00 and the Purchasing Authority determines the emergency is valid, he/she will issue a verbal purchase authorization. If the emergency is anticipated to exceed \$10,000.00, the Purchasing Authority shall review the documentation and obtain approval from the District Manager. The Department may make the purchase and submit a completed requisition form to the Purchasing Department no later than the next business day after the emergency. The completed and signed requisition form must be accompanied by a written description and explanation of the emergency and circumstances. If the requisition is greater than the bid limit, the Department must prepare an agenda item for Board certifying that the conditions and circumstances required emergency purchasing procedures.
2. If emergency purchases are required at times when the Purchasing Authority is unavailable, the Department Director may make the purchase at his/her discretion and shall contact the Purchasing Department the next business day to obtain an emergency purchase authorization. This type of emergency purchase is subject to all requirements stated above and processed in the same manner. Approvals are obtained as required by the dollar value of the purchase.
3. Emergency Purchase Orders are assigned special numbers to designate the specific emergency, and to facilitate tracking as may be required for various local, state, and federal agencies.

4. If the emergency purchase falls within the dollar limit of the Department Director Purchasing Card, the Purchasing Card may be used in place of the Purchase Order while still requiring approvals as stated above. In the case of an emergency where tracking is required for a specified agency, the Purchase Order process must be used. In the case of a “declared state of emergency”, see the Disaster Purchasing Procedures of this manual.

## **DISASTER PURCHASING PROCEDURES DECLARED STATE OF LOCAL EMERGENCY**

### **PURPOSE**

To provide guidelines for emergency purchasing operations and record keeping procedures in the event a natural disaster (such as a hurricane or tornado) or a man-made disaster strikes The Villages. Following these guidelines will help ensure that purchasing operations continue in the face of such a disaster and emergency supplies and services are procured as quickly as possible.

Any emergencies other than those under a “declared state of emergency” shall be processed in accordance with the Emergency Purchase section of this manual.

### **POLICY**

In the event of a disaster, records and reports are required to support requests for reimbursement from state and federal agencies. It is therefore imperative that the practices outlined in this procedure be implemented to ensure accurate record keeping in the aftermath of a disaster.

The District may lose electrical power and telephone communications for an indeterminate period of time and employees may not have use of a computer or normal office equipment in order to contact vendors. If the area is damaged severely, please keep in mind that local vendors will be stricken as well and cannot be expected to provide emergency supplies and services immediately following the disaster.

### **PROCEDURE**

#### **1. Departments**

- a. Prior to or during a disaster, a department director may request a specified number of DPO's. The director must sign for and be responsible for all DPO's issued to his/her department.
- b. The Department Director has the authority to issue DPO's to field supervisors.
- c. The Department Director's or designated employee, having proper authorization after a disaster, shall procure the goods/services by telephone or in person.
- d. The employee designated to pick-up the materials or accept delivery of materials shall verify that all required information has been completed on the DPO.
- e. Upon pick-up or delivery, the White copy of the DPO will be given to the Vendor's representative. The employee shall immediately return the completed DPO form to the Purchasing Department for

processing.

2. The Purchasing Department

- a. Will have available pre-numbered Disaster Purchase Orders (DPO's) to be used only in the event of a declared emergency. The pre-numbered DPO's are to be issued to the vendors at the time of purchase to serve as an official document authorizing the vendors to sell their goods and services to the District and to give the requesting department, the Purchasing Department and the Finance Department proper documentation and backup for the procurement of goods and services.
- b. Shall maintain a log showing the quantity of pre-numbered DPO's issued to each department and the numbers of the DPO's issued.

## **COOPERATIVE PURCHASING**

1. State Contracts – The Purchasing Authority is authorized to purchase good or services for any dollar amount from authorized vendors listed on the respective state contracts (State Term Contracts [STC], State Purchasing Agreements [SPA], or other such contracts authorized by statute for use by local governments) of the Florida Department of Management Services. Such purchases shall be made without competitive bids provided that funding has been appropriated and approved by the District Board.
  
2. Federal Supply Service – The Purchasing Authority is authorized to purchase Information Technology (IT) goods or services for any dollar amount from authorized vendors listed GSA Schedule 70 issued for the Federal General Services Administration. Such purchases shall be made without competitive bids provided that funding has been appropriated and approved by the District Board.
  
3. Other Public Procurement Units – The Purchasing Authority shall have the authority to join with other units of government in cooperative purchasing ventures when the best interest of the Districts would be served. The Purchasing Authority shall appropriately document such cooperative purchasing arrangements. All cooperative purchasing conducted under this section shall be through contracts awarded through full and open competition. Each selection method shall clearly state the intention to include participation by other units of government as a requirement for use in cooperative purchasing.

## **RECYCLED CONTENT PRODUCTS AND MATERIALS**

### **PURPOSE**

The procurement of products and materials with recycled content as set forth in Florida Statute 287.045 is highly recommended by the District. This policy establishes procedures to encourage and increase the procurement of recycled and other environmentally preferable products by departments and vendors/contractors/consultants. The purpose of this policy is to support markets for recycled and other environmentally preferable products by encouraging departments and vendors/contractors to buy such products whenever practicable.

### **DEFINITIONS**

**Environmentally Preferable Products** – Products that have a lesser or reduced effect on human health and the environment when compared to competing products that serve the same but do not utilize recycled content. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal of the product. This includes, but is not limited to, paper, aluminum, steel, glass, plastics, and composted material.

**Post-Consumer Material** – A material or finished product that has served its intended use and has been discarded for disposal or recovery, having completed its life as a consumer item.

**Practicable** – Satisfactory in performance and available at a reasonable price.

### **POLICY**

The District's Purchasing Department strongly supports the procurement and use of environmentally preferable products. The following guidelines shall be used when evaluating the procurement of environmentally preferable products.

1. All Departments shall encourage their contractors/vendors/consultants to use products manufactured with the maximum practicable amount of recovered material, especially post-consumer material.
2. All Departments shall use, and encourage their contractors, vendors and consultants to use environmentally preferable products whenever cost effective and to the extent practicable.
3. All Departments shall use, and encourage their contractors, vendors and consultants to use recycled paper products whenever practicable. This includes, but is not limited to, copier paper, stationary, printer paper and

forms.

4. All Departments shall use, and encourage their contractors, vendors and consultants to use both sides of paper sheets whenever practicable.
5. The Purchasing Department shall ensure that contracting procedures and practices do not discriminate against recycled products without justification.

## DIRECT PURCHASING PROGRAM

### PURPOSE

The purpose and intent of the Direct Purchasing Program is to realize state sales tax savings on materials used by general contractors on District projects.

### PROCEDURE

The District shall include this policy in any solicitation whereby the Direct Purchasing Program may be utilized.

The Contractor agrees to administer according to the following terms. The Contractor shall include the following terms in all of its sub-contracts wherein the cost of materials and equipment exceeds Twenty Thousand Dollars (\$20,000).

1. The Contractor has included Florida State Sales Tax and other applicable taxes in his bid/proposal for material, supplies and equipment. The District, being exempt from sales tax reserves the right to make direct purchases of various construction equipment, materials or supplies included in the Contractor's bid/proposal and/or contract, substantially in accordance with the form of Purchase Order attached herewith.

Any equipment, materials or supplies directly purchased by the District that are included in the Contractor's contract shall be referred to as District-Purchased Materials and the responsibilities of both District and Contractor relating to such District Purchased Materials shall be governed by the terms and conditions of these procedures.

2. Material suppliers shall be selected by the Contractor awarded the Contract.

The Contractor has included the price for all construction materials plus applicable taxes in his bid/proposal. District purchasing of construction materials, if selected, will be administered on a deductive Change Order basis. The Contract amount shall be reduced by the net non-discounted amount of these Purchase Orders, plus all sales tax.

3. Contractor shall provide District with a list of all intended suppliers, vendors, and materialmen for consideration as District-Purchased Materials. This list shall be submitted at the same time as the bid/proposal response. The Contractor shall submit a description of the materials to be supplied, estimated quantities and unit prices.



4. Upon request from District, Contractor shall prepare a standard Purchase Order Requisition Form in a form (attached) acceptable to the District and the Contractor, to specifically identify the materials which the District has, at its sole option, elected to purchase directly. The Purchase Order Requisition Form shall include:
  - a. The name, address, telephone number and contact person for the material supplier.
  - b. Manufacturer or brand, model or specification number of the item
  - c. Quantity needed as estimated by Contractor
  - d. The price quoted by the supplier for the materials identified therein
  - e. Any sales tax associated with such quote
  - f. Delivery dates as established by Contractor

Contractor shall include reference to any terms and conditions which have been negotiated with the vendor; i.e. payment terms, warranties, retainage, etc. Such Purchase Order Requisition Form is to be submitted to District no less than 15 days prior to the date required for ordering such District-Purchased Materials, in order to provide sufficient time for District review and approval and to assure that such Directly Purchased Materials may be directly purchased by District and delivered to the Project site so as to avoid any delay to the Project.

5. After receipt of the Purchase Order Requisition Form, District shall prepare its Purchase Orders for equipment, materials or supplies. Pursuant to the Purchase Order, the vendor will provide the required quantities of material at the price established in the vendor's quote to the Contractor less any sales tax associated with such price. Promptly upon receipt of each Purchase Order, Contractor shall verify the terms and conditions of the Purchase Order prior to its issuance to supplier and in a manner to assure proper and timely delivery of items. District's Purchasing Director shall be the approving authority for the District on Purchase Orders in conjunction with District-Purchased materials. The Purchase Order shall require the delivery of the District-Purchased Materials on the delivery date(s) provided by the Contractor on the Purchase order Requisition Form and shall indicate F.O.B. job site. The District's Purchase Orders shall contain, or be accompanied by, the District's exemption certificate and must include the District's name, address, and exemption number with issue and expiration date shown.
6. In conjunction with the execution of the Purchase Orders, the Contractor shall execute and deliver to District one or more deductive Change Orders, referencing the full value of all District-Purchased Materials plus all sales tax savings associated with such materials in Contractor's bid/proposal to District.

7. All shop drawings and submittals shall be made by the Contractor in accordance with the Contract Documents.
8. Contractor shall be fully responsible for all matters relating to the receipt of materials furnished by District in accordance with these procedures, including but not limited to, verifying correct quantities, verifying documentation or orders in a timely manner, coordinating purchases, providing and obtaining all warranties and guarantees required by the Contract Documents, inspection and acceptance of the goods at the time of delivery, and loss or damage to equipment and materials following acceptance of items by the District due to the negligence of the Contractor. The Contractor shall coordinate delivery schedules, sequence of delivery, loading orientation, and other arrangements normally required by the Contractor for the particular materials furnished. The Contractor shall provide all services required for the unloading, handling and storage of materials through installation. The Contractor agrees to indemnify and hold harmless the District from any and all claims of whatever nature resulting from nonpayment of goods to suppliers arising from the actions or directions of Contractor.
9. As District-Purchased Materials are delivered to the job site, the Contractor and the District's Representative, shall visually inspect all shipments for the suppliers, and approve the vendor's invoice for materials delivered. The Contractor shall assure that each delivery is accompanied by documentation adequate to identify the Purchase Order against which the purchase is made. This documentation may consist of a delivery ticket and an invoice from the supplier confirming the Purchase Order, together with such additional information as the District or Contractor may require. The Contractor will verify, in writing, the accuracy of the delivery ticket. The Contractor will then forward the invoice to the District. The District will process and pay directly to the vendor in the manner as all other District invoices are processed. The District shall have the right to assign District personnel to verify and audit the accuracy of all Direct Purchase documents.
10. The Contractor shall insure that District-Purchased Materials conform to the Specifications and determine prior to incorporation into the Work if such materials are patently defective, and whether such materials are identical to the materials ordered and match the description on the bill of lading. If the Contractor discovers defects or non-conformities in the District-Purchased Material, upon such visual inspection, the Contractor shall not utilize such non-conforming or defective materials in the Work and instead shall promptly notify the Vendor of the defective or non-conforming condition in order to pursue repair or replacement of those materials without any undue delay or interruption to the Project. Additionally, the Contractor shall notify the District of such occurrence. If

the Contractor fails to perform such inspection, and otherwise incorporates District-Purchased Materials, the condition of which it either knew about or should have known about by performance of an inspection, Contractor shall promptly take action to remedy the defect or non-conformity so as not to delay the Work.

11. The Contractor shall maintain records of all District-Purchased Materials it incorporates into the Work from the stock of District-Purchased Materials in its possession.
12. The Contractor shall be responsible for obtaining and managing all warranties and guarantees for all materials and products as required by the Contract Documents. All repairs, maintenance or damage repair calls shall be forwarded to the Contractor for resolution with the appropriate supplier or Vendor.
13. Notwithstanding the transfer of District Purchased Materials by the District to the Contractor's possession, the District shall retain title to any and all District Purchased Materials.
14. The transfer of the possession of District Purchased Materials from the District to the Contractor shall constitute a bailment for mutual benefit of the District and the Contractor. The District shall be considered the bailor and the Contractor the bailee of the District Purchased Materials. District Purchased Materials shall be considered returned to the District for purposes of its bailment at such time as they are incorporated into the Project or consumed in the process of completing the Project. Bailee shall have the duty to safeguard, store and protect all District Purchased Materials.
15. The District shall in no way be liable for interruption or delay in the Project, for any defects or any other problems with the Project, or for any extra cost resulting from delay in the delivery of, or defects in, District Purchased Materials.
16. On a monthly basis, Contractor shall be required to review invoices submitted by all suppliers of District Purchased Materials delivered to the Project site during that month and either concur or object to the District's issuance of payment to the suppliers, based upon Contractor's records of materials delivered to the site and any defects in such materials.
17. In order to arrange for the prompt payment to the supplier, the Contractor shall provide to the District a list indicating the acceptance of the goods or materials in accordance with the established monthly Contractor Payment Request. The list shall include a copy of the applicable Purchase Orders, invoices, and delivery receipts of data provided. Checks will be released,

delivered and remitted directly to the suppliers. The Contractor agrees to assist the District to immediately obtain partial or final release of lien waivers as appropriate.

18. At the end of the Project, any refund for surplus materials returned to suppliers plus applicable sales tax savings amount shall be created with an additive Change Order to the Contractor's agreement with the District. Salvage materials shall be the property of the District and stored or removed from the site by the Contractor at the District's discretion.

The District hereby agrees to follow those procedures in cooperation with the Contractor, and indemnifies Contractor from liability if the Department of Revenue determines that any purchases treated as tax exempt by the parties failed to meet the criteria for exemption.

## **SURPLUS AND OBSOLETE PROPERTY**

The Districts have the discretion to classify any property as surplus that is obsolete or the continued use of which is uneconomical or inefficient, or which serves no useful function and is not otherwise lawfully disposed of. Qualifying property may be disposed of for value without bids to any governmental unit, or if the property is without commercial value, it may be donated, destroyed or abandoned (FS 274.06). Property valued under \$1,000 may be disposed of in the most efficient and cost-effective means as determined by the Purchasing Authority or appointee. Any sale of property the value of which the Purchasing Authority estimates to be \$1,000 or more shall be sold only through competitive bid to the highest responsible bidder or by public auction.

### **PROCEDURE**

Each District/Department must report its surplus or obsolete property, equipment, or supplies to the Purchasing Department by completing the appropriate "Surplus Property Form / Request to Transfer or Declare Surplus" (See Appendix "A"). All forms must be forwarded to the Purchasing Authority prior to or at the time of property drop-off.

Notification and delivery of surplus material to the designated area is the responsibility of each department. The Purchasing Department must insure the inspection of the items to verify the serviceability, condition, and original item cost. Once an item has been declared surplus, it becomes the responsibility of the Purchasing Department. It cannot be traded in, transferred, sold, cannibalized, or placed back into service without the approval of the Purchasing Authority.

The Purchasing Department shall maintain current listings of all surplus property. All department directors will be responsible for periodic review of the current "Surplus Property List" and must notify the Purchasing Authority within fifteen (15) calendar days after notice of sale or other disposition, with any requirements for the material. Priority will normally be given to the first department requesting the material. Before property is disposed of, the Purchasing Authority will check with all other departments to ascertain the need for the property.

The Purchasing Authority shall recommend to the responsible District Board the means and method of disposition of the surplus property. The following are acceptable forms of disposition:

1. Transfer to another department
2. Trade in on new equipment
3. Offer to the Villages Charter Schools
4. Offer to other governmental agencies
5. Cannibalize for parts

6. Sell to public by auction or sealed bid
7. Sell as scrap
8. Donate to a local non-profit organization
9. Destroy or abandon

The responsible District Board shall declare the items on the "Surplus Property List" as surplus and allow staff to dispose of property in one of the above listed methods. The responsible District Board must approve disposition of surplus property valued at \$1,000 or greater. Items valued below the \$1,000 threshold may be disposed of in the most efficient and cost-effective means as determined by the Purchasing Authority without prior authorization by the responsible District Board. However, the Purchasing Authority shall report the dispositions to the board, for informational purposes only, as necessary.

## **PROPERTY TRANSFERS**

Each department must report property transfers by completing the "Surplus Property Form / Request to Transfer or Declare Surplus" (Appendix "A"). All Surplus/Transfer property forms must be forwarded to the Purchasing Department prior to the transaction. The Purchasing Department will process the transfer request, route for appropriate approvals and distribute executed copies to the required personnel and the Finance Department for appropriate adjustment to the Districts' fixed asset records. Notification and delivery of the surplus and/or transferred property to the designated area is the responsibility of each department.

## **PUBLIC AUCTION / BID**

After Board approval of items exceeding \$1,000 or advertisement by the Purchasing Authority for items below \$1,000 threshold to sell surplus property to the public by auction or sealed bid, the Purchasing Department shall place a notice in a local newspaper of general circulation not less than one (1) week nor more than two (2) weeks prior to the sale. The advertisement shall contain method of sale (auction or sealed bid), general description of items being sold, bidder requirements, location of sale, location and times items being sold can be previewed and time/date of sale (FS 274.06).

The auction shall be conducted by or may be contracted out by the Purchasing Department. The Finance Department shall have necessary personnel available to record sales and receive payment in the event the items are auctioned. Items shall be sold to the highest bidder and payment made at the time of the sale. Items sold by either sealed bid or auction must be removed from the premises as soon as possible. The Purchasing Department will determine the maximum length of time granted to remove items. Under unusual circumstances, the Purchasing Authority may grant exceptions to this provision. Neither the District nor any employee of the District may be held responsible for any materials

remaining on District property after a five (5) calendar day period.

All sales are final. No warranties or guaranties shall be implied. Items are to be sold in "as is" condition and shall be so noted in the advertisement and bid form.

District employees are encouraged not to make acquisition of surplus property via auction, sale, or competitive bid to avoid the appearance of a conflict of interest.

### **ITEMS APPROVED FOR CANNIBALIZATION**

All serviceable parts or items removed shall be placed in stock at the appropriate location. Items that have been declared as surplus may not be cannibalized without the approval of the Purchasing Authority.

### **SALE OF SCRAP MATERIALS**

Items that have lost all value in their original form or have been declared obsolete and cannot be sold will be classified as scrap and will be sold to area scrap dealers at the highest price available or will be taken to an available landfill.

The Purchasing Authority shall contact at least three (3) or more scrap dealers requesting they view the scrap available for sale by the District. The scrap dealer will then submit in writing a proposal of the price per pound that the dealer will pay. The proposal most advantageous to the District will be the one accepted. Proceeds from the sale shall be delivered to the Finance Department as revenues to the general fund for the District. A copy of the sales proceeds document will be provided to the Purchasing Department for its records.

## **OPEN RECORDS**

The District is governed by the Florida Open Records Laws, Chapter 119 of the Florida Statutes. All bids, RFP's, quotes, and all documentation are open for public inspection ten (10) days after the solicitation opening. Certain proprietary and financial information from vendors may be excluded under very strict circumstances. All memos and internal correspondence concerning any purchasing matters are open for public inspection.



## **UNAUTHORIZED PURCHASES**

An **UNAUTHORIZED PURCHASE** is any purchase, order, or contract that is made by any District employee or official outside of the purview of the District's Purchasing Policies and Procedures.

It is unlawful for any District officer or employee to order the purchase of any materials, supplies, equipment or professional or contractual services or to make any contract within the purview of this policy other than through the Purchasing Authority. Any Purchase Order or Contract made contrary to the provisions of this policy shall not be approved and the District shall not be bound thereby.

The Purchasing Authority is the sole contracting agent for the District. The District Manager or the Purchasing Authority are the only persons authorized to execute contracts for the procurement of commodities, professional and contractual services, or the sale of property, without express action by the Board.

All commodities, professional and contractual services shall be purchased through process outlined in the approved Purchasing Policies and Procedures Manual. Purchases, orders, or contracts that are subdivided to circumvent the Purchasing Procedures shall be considered **UNAUTHORIZED PURCHASES**.

Violation of the Purchasing Rule or Policies and Procedures may be grounds for disciplinary actions as well as penalties.

## **INTERACTION WITH OTHER DISTRICT DEPARTMENTS**

The Purchasing Department is a service department. Therefore, interaction with all District Departments is a necessity. However, there are Departments within the District who may also have input into what and how to purchase.

### **Finance**

No purchase can be made unless funding is available. It is the responsibility of the requesting department to ensure sufficient and proper funding is available prior to submitting a request to the Purchasing Department. If a purchase request is received and the attempt to process it fails because of lack of funds or an improper account number, it will be returned to the requesting department to coordinate with Finance. Once Finance has assured funding, the purchasing request can be returned to the Purchasing Department for processing.

### **Others**

Because of standardization, specific legal or procedural requirements, there are Departments who may regulate what is bought or how it is bought. These type purchases must be processed through and approved by these agencies before the request for purchase is sent to the Purchasing Department. Listed below are some examples with the other responsible Departments listed.

- Building Repair/Remodeling/Maintenance – Property Management
- Copiers – Purchasing Department
- Computer Equipment and Software – Purchasing Department to coordinate with Information Systems
- Construction – Property Management and Purchasing Department
- Vehicles – Purchasing Department

## SIGNATURES

The Purchasing Department will maintain a file of current signature lists. This list contains the names and signature of each Department Representative who is authorized to request purchases and authorize payments for goods and services. Authorizations may be limited by dollar value. It is the responsibility of each using Department to send to the Purchasing Department revised forms each time there is a change in authorization with copies also to the Finance Department, Accounts Payable Section. Requests for purchases or payments with an unauthorized signature will be returned to the Department.

**Contracts for the purchase for any commodities or services may only be signed by the Purchasing Authority, District Manager, or the Chairman of the Board, as may be applicable. Agreements such as for leasing of copiers, rental of uniforms or equipment must be signed by the District Manager.**

## **FINANCE AND PAYMENTS**

It is the responsibility of each using Department to request payment for goods and services received. The Purchasing Department cannot independently process payments. The Finance Department has policies and procedures to follow and will furnish those upon request and provide instruction as required.

1. Purchases – Payment of invoices shall be made as provided in the Florida Prompt Payment Act (F.S. 218.70). This normally provides for payment within thirty (30) days of receipt of a correct invoice.
2. Contractual Purchases – Payment of invoices shall be made in accordance with the contract terms, conditions, and scopes of services being provided.
3. Florida Prompt Payment Act – (F.S. 218.70) governs for payment goods or services by government agencies. It provides for the timely payment of all correct invoices for goods and services delivered to local units of government. It further allows vendors to charge interest (currently 12% per annum) on a monthly basis for those invoices not paid in a timely manner, as defined in the statute.

## **VENDOR RELATIONS**

One of the functions of the Purchasing Department is establishing and maintaining relations with firms who request to do business with the District and with firms who regularly do business with the District and to promote good will between the District and its suppliers. The Purchasing Department shall encourage full and open competition wherever possible and shall ensure fair and equitable business dealings with all vendors. All bidders shall be afforded equal opportunity to quote and compete in the bidding process.

Vendors/Salespeople may be received in other departments only at the request or direction of the Purchasing Department. Departments desiring to interview a salesperson regarding the details of their products should do so through the Purchasing Department. During such an interview, no one may commit himself/herself or the District with regard to preference for any product or service or give any information regarding performance or price which might, in any way, give one vendor an advantage over another.

All correspondence with suppliers regarding existing contracts or current solicitations will be through the Purchasing Department, except in special cases where technical details involved make it advisable to delegate authority to others or unless otherwise directed by the Purchasing Department. In such cases, the Purchasing Department shall be provided an informational copy of all correspondence.

Per Florida Statute 112.313 regarding standards of conduct, District employees cannot accept any gratuities other than vendor advertising specialties offered of nominal value such as pens, pencils, key chains, etc.

Any user or department that develops a problem with a vendor and cannot satisfactorily resolve that problem should contact the Purchasing Department. It is District policy to be fair with all bidders and vendors while still protecting the interests of the District.

Any problem should be documented immediately in writing giving all details such as date, nature of problem, person contacted, conversations between the District and the vendor. This can be done by keeping a log of the issue and keeping the Purchasing Department copied on the log and up to date of the issues. The Purchasing Authority has the authority to take action against any vendor, including possible suspension/debarment from doing business with the District for a specified length of time. This is a very drastic action and will not be done without proper documentation. Documentation must be very detailed and immediately recorded.

## **DEBARMENT**

The Purchasing Authority shall review cases where probable cause for disqualification (debarment) or suspension exists. The review by the Purchasing Authority will consist of information from the affected department and from the vendor/contractor. The affected District Board must approve the debarment.

Causes for Debarment:

1. Vendor defaults or fails to fully comply with the conditions, specifications, or terms of a bid, quotation, proposal or contract with the District.
2. Refusal to enter into a contract with the District by failing to provide bonds, insurance, or other required certificates within the time frame specified in the bid/RFP response.
3. Refusal to accept a purchase order, agreement or contract, or to perform thereon provided such order was issued timely and in conformance with the offer received.
4. Violation of ethical standards as set forth in state law.
5. Providing anything of value, including but not limited to, a gift, loan, reward, promise of future employment, favor or service to any employee to influence the award of contract or purchase of items.
6. Vendor commits any fraud or misrepresentation in connection with a bid, quotation, proposal or contract with the District.
7. Vendor is charged by a court of competent jurisdiction with the commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
8. Vendor is charged by a court of competent jurisdiction with the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any offense indicating a lack of business integrity or business honesty.
9. Suspension or debarment by another governmental agency.
10. Any other cause that the Purchasing Authority determines to be so serious and compelling as to materially and adversely affect the purchasing activities of the Districts.

If charges are dismissed or the vendor is found not guilty, the suspension shall

be lifted automatically upon written notification and proof of final court disposition.

A vendor may be permanently debarred for the following:

1. Default or failure to fully comply with the conditions, specifications, drawings, or terms of a bid, proposal or contract with the District twice in any three year period.
2. Conviction or judgment obtained in a court of competent jurisdiction for commission of those offenses in connection with the vendor's commercial enterprise stated previously in this section. If the conviction or judgment is reversed through the appellate process, the debarment shall be removed immediately upon written notification and proof of final court disposition from the vendor to the District.

After the Purchasing Authority has determined sufficient cause to suspend or disqualify a vendor, and after the action has been approved or ratified by the Board, the Purchasing Authority shall notify the vendor in writing of the debarment and the period of suspension and the reasons for the action taken. Any decision to debar a contractor shall be in effect for a period no less than three (3) years.

The debarment shall be final and conclusive unless the suspended or disqualified vendor initiates appeal or protest proceedings through the appropriate procedures pursuant to the Florida Rules of Appellate Procedure.

Any vendor who has been convicted of a "Public Entity Crime" (FS 287.133) shall not be able to transact business with the District to the extent specified in FS 287.133(3)(a).

## ETHICS

All District employees are bound by the Code of Ethics (Section 2.04) contained in the District Employee Manual and Chapter 112, Florida Statutes entitled "Code of Ethics for Public Officers and Employees. All District employees, particularly those involved in the purchasing process, shall exercise at all times reasonable judgment and discretion so as to avoid any appearance of impropriety. Integrity is paramount and must be demonstrated to the public every day and in every transaction. Favoritism in the purchasing process will not be tolerated.

Acceptance of gifts, at any time, other than advertising novelties, is strictly prohibited. Acceptance of entertainment (sporting events, theater, etc.) is also prohibited. No District employee shall enter into an agreement or contract or conduct any District business whereby the employee may personally benefit. Specifically, 112.313, F.S., states:

*"No public officer, employee of an agency, local government attorney, or candidate for nomination or election shall solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or services, based on any understanding that the vote, official action, or judgment of the public officer, employee, local government attorney, or candidate would be influenced thereby."*

No District employee shall bid for, enter into, or have any interest in any contract for District purchases nor shall any District employee seek to influence the purchase of a product or service from any bidder. This restriction does not include the appraisal of the quality and value of a product or service by a selection committee member or such employee where his/her scope of employment or technical expertise requires advice regarding the purchase.



## **SURVEYS / REFERENCES**

District employees shall refrain from completing surveys or providing testimonials or any other type of reference for any contractor without prior approval of the District's Attorney, District Manager, or Purchasing Authority. There may be legal and contractual consequences when documents such as these are completed without prior authorization.

# **APPENDIX A**

## **FORMS**