

The Villages®

Community Development Districts

PURCHASING POLICIES AND PROCEDURES MANUAL

***REVISED AND APPROVED: April 10, 2019
EFFECTIVE: May 1, 2019***

Original Policies and Procedures Adopted: October 1, 2007

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*District Purchasing Policy and Procedures Manual are pursuant with Florida Statutes Chapter 190 and utilize Florida Statutes Chapter 287, Florida Statutes Chapter 255 and Florida Administrative Code as authoritative guidelines.

INTRODUCTION

The Village Community Development Districts recognizes the constitutional and statutory duty to have uniform procedures to ensure ethical and effective procurement of goods and services. The Village Community Development Districts identified the Purchasing Director as the individual responsible for coordinating the entire Districts' purchasing efforts. The District Manager supports the Purchasing Director in promoting efficiency, economy, and fair and open competition. These efforts reduce the appearance or opportunity for favoritism or impropriety, and inspire public confidence that purchase orders and agreements are awarded equitably. It is essential for effective and ethical procurement to have a system of uniform procedures, utilized by all personnel, that establishes basic guidelines and procedures regulating procurement activities, contract management, and the resulting distribution of funds. The foremost objective of centralized purchasing is to abide by, uphold, and adhere to the Purchasing Policies and Procedures and to guard against the misuse or misinterpretation of the same. Administrative changes or processing procedure portions of this manual may be amended when required by changes in law or minor procedural changes (i.e. flow of documents) with the review and concurrence of the District Manager.

MISSION

The Mission of the Purchasing Division 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 Division 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.

CODE OF ETHICS AND CONDUCT

Procurement personnel believe in the dignity of the office and the value of the services rendered by their governmental agency. The procurement office strives to maintain high standards of ethics and conduct. Public procurement officials are required to maintain complete independence and impartiality when dealing with vendors, both in fact and in appearance, in order to preserve the integrity of the competitive process and to ensure public confidence that purchase orders and agreements are awarded equitably and economically. Florida Statute Chapter 112, Part III, Code of Ethics for Public Officers and Employees governs ethics and conduct relative to purchasing and is included by reference in the Purchasing Policies and Procedures.

DUTIES AND RESPONSIBILITIES

Purchasing Department

- I. Purchasing is responsible for developing and administering the purchasing program for the Village Community Development Districts.
- II. Purchasing assists District administration, departments and divisions in the procurement of goods and services.
- III. Purchasing, in cooperation with the Finance Department, will strive to take advantage of discounts offered by vendors for orders and the early and prompt payments of invoices.
- IV. Purchasing reviews all purchase requisitions for adherence to policies and procedures, proper accounting, and overall quality of supporting documentation.
- V. Purchasing may serve as a liaison with the Finance Department if needed.

District Departments

- I. District departments are responsible for following the Purchasing Policies and Procedures.
- II. District departments are responsible for determining that sufficient budget funds are available for all expenditures prior to purchase.
- III. District departments are responsible for submission of purchase requisitions, unless exempt from the requisition process as defined in these policies and procedures.
- IV. District departments are responsible for timely review and approval of all invoices prior to submission to Finance for payment.

GENERAL PURCHASING POLICIES

- I. It is the intent of the District to provide all vendors, with the exception of those on the Florida Department of Management Services Convicted Vendor List, per Florida Statute 287.133(3)(d), with a fair and impartial opportunity in which to compete for the District's business.
- II. District Staff shall not issue any payment(s) or agreement(s) to any vendors currently involved in litigation or arbitration with the District until such time as a satisfactory resolution is reached with such vendors; however, the District may, in its sole discretion, award payment(s) or agreement(s) to such vendors.
- III. Payments for purchases made in the current fiscal year must be allocated to the current fiscal year's financial records so long as delivery of the goods or performance of the services is completed prior to October 1 of the following fiscal year.
- IV. Expenditures from funds other than the General Fund may require special processing because of specific legal terms and conditions placed by the funding agency. If applicable, grants often have certain purchasing requirements in addition to the Purchasing Policies and Procedures and they may require special purchasing procedures. It is the responsibility of the department if awarded grant funding to identify and to transmit to Purchasing any special purchasing requirements or provisions for a purchase and to ensure that the requirements are followed.

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- V. Acceptance of gifts at any time is prohibited. Employees must remain impartial to all vendors/contractors/suppliers and shall not conclude any District transactions from which they may personally benefit.
- VI. All procurement records shall be retained and disposed of by the District in accordance with the records retention guidelines and schedules established by the State of Florida.
- VII. Except as herein provided, it shall be a violation of the Purchasing Policies and Procedures for any officer, employee, or agent of the District to order the purchase of any goods (materials, supplies, or equipment) or professional or contractual services, or to make any agreement within the purview of these policies and procedures other than through the policies and procedures stated herein. Any purchase order or agreement made contrary to the provisions herein shall not be approved, and the District shall not be bound thereby. Purchases, orders, or agreements that are subdivided to circumvent the Purchasing Policies and Procedures shall be considered unauthorized purchases.

Purchasing Process

- I. Department identifies a need for goods or services;
- II. Department follows the guidelines of these policies and procedures to enter a requisition;
- III. Authorized District Staff reviews and approves the requisition;
- IV. Purchasing Department issues a purchase order;
- V. Department or Purchasing places the order with the selected vendor;
- VI. Department receives goods/services and invoice;
- VII. Department verifies invoice, processes and submits invoice to Accounts Payable;
- VIII. Accounts Payable audits the invoice prior to processing payment;
- IX. Finance Department issues a payment to the vendor for the goods/services provided.

PURCHASING REQUISITIONS

Requisitions are required for all purchases unless the procurement of goods or services is exempt according to the Requisition Exemption List in these policies and procedures. See the **General Requisition Procedures Section** of these policies and procedures for details on how to submit a requisition. Requisitions should be prepared far enough in advance to provide sufficient time for approvals and delivery of goods or services.

Authorization and Documentation Requirements

Thresholds and quote amounts will be monitored by Purchasing.

Levels	Authorized Approvers	Documentation Requirements
Category 1 \$4,999.99 or less - P-card or PO (if needed)	Department Director, Finance & Purchasing Director	Although quotes are not required, they are encouraged
Category 2 \$5,000 and less than \$24,999.99 - PO required	Department Director, Finance & Purchasing Director	Three quotes are required; can use online pricing & catalogs
Category 3 \$25,000 and less than \$49,999.99 (within one fiscal year) -PO required	Department Director, Finance, Purchasing Director & District Manager or Assistant District Manager	Three written quotes required; specification package submitted to Purchasing to obtain quotes
Category 4 \$50,000 and over - Agreement & PO required	Department Director, Finance, Budget, Purchasing Director, District Manager or Assistant District Manager & Board	Competitive formal solicitation procedures are required

If the Purchasing Department or any Department foresees a need for products or services of a like or similar nature costing more than \$50,000 in aggregate within a fiscal year, it may recommend competitive sealed bidding, even though the products and services individually may be under the \$50,000 bid threshold.

When previous experience indicated 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.

Authorization and Documentation Exceptions

Emergency Purchases - In an emergency, authorization to contract in excess of \$49,999.99 is granted to the District Manager with the provision that it will be brought to the attention of the Board at their next regularly scheduled meeting for “after-the-fact” approval. This authority will be capped at \$200,000; any requirements above that level will be considered by the Board at a special called meeting or regular meeting.

Quote and Bidding Exemptions - Sole source purchases, purchases of standardized equipment, and purchases of goods for product testing are exempt from the three-quote requirement and competitive bidding requirements, provided the purchases have been pre-approved by the Purchasing Director or District Manager. See each respective section within these policies and procedures for details.

Requisition Exemption List

There are certain expenditures for which the processing of a requisition is unnecessary. The following payments should be made without a requisition:

- I. Pre-approved District employees' reimbursements, such as travel, and tuition reimbursements;
- II. Employee expenses such as conference registrations, conference fees, and membership dues;
- III. Monthly recurring utility and communication bills;
- IV. Interdepartmental billing such as worker's compensation premiums and other insurance premiums;
- V. Purchases made during the period of a declared emergency;
- VI. Purchases made using a purchasing card (except for capital asset items) or fleet fuel card;
- VII. Bulk fuel;
- VIII. Legal advertising;
- IX. FedEx and/or UPS invoices;
- X. Refunds;
- XI. Reimbursements to residents serving on District boards;
- XII. Recurring monthly intergovernmental disbursements.

Purchase Requisition Procedures

The following procedures apply to all requisitions, including requisitions for standing/open purchase orders. For additional details and requirements for standing/open purchase orders, see the Standing/Open Purchase Order Section within these policies and procedures.

To submit a requisition, the Requesting Department should:

- I. Obtain quotes (including shipping) within the approved thresholds. Ensure tax is not included in the quoted price (see the **Tax Exemption Information Section** of these policies and procedures for details).
 - a. Due diligence to obtain the best price is required no matter the purchase price. If quotes are not obtainable due to lack of vendor interest/response, please state the reason on the requisition in the **Reason for Purchase/Special Instructions Section**. Competitive formal solicitation procedures could be required if the service agreement has the potential to exceed \$49,999.99 over the life of the agreement. Refer to "Authorization and Documentation Requirements" above for requirements for quotes/solicitations.
- II. Begin a requisition by accessing the Purchase Requisition Form found on the G-Drive.
- III. Enter the appropriate expense account, ensuring that funds are available for the purchase. If funds are not available contact the Budget Director as a Budget Transfer and/or Amendment may be required.
- IV. Enter the appropriate vendor, after ensuring the vendor is active in the financial system and has met all vendor requirements.
- V. Enter the justification for the purchase and the description, price, and quantity of the item(s).

- VI. Attach the following supporting backup documentation (i.e. quotes) to the requisition to assist in the approval process:
 - a. Three written quotes based on the thresholds (if required);
 - b. Agreement's current pricing exhibit (if applicable);
 - c. Preapproval sole source/single standardization purchase request form, standardized equipment, approval (if applicable);
 - d. Emergency purchase (include justification on the purchase request form);
 - e. **Letter of explanation (any work done prior to a requisition will be rejected unless it is submitted with written pre-approval by District Manager).**
- VII. Identify the following in the "Reason for Purchase/Special Instructions" section:
 - a. Desired "Deliver By" date;
 - b. Board approval date and terms of the agreement (if applicable)
 - c. Justification for the request if the purchase is not a budgeted item.
 - d. Agreement Number (if applicable).
- VIII. Submit the requisition for approvals.

PURCHASE ORDERS

After the approval of a requisition, and if all backup requirements are met, the Purchasing Department will issue a purchase order. Once the purchase order has been issued, the department may place the order. Orders requiring a Purchase Order should not be placed until the Purchase Order is issued.

Standing/Open Purchase Orders

Reoccurring purchases from the same vendor, which are easily predicted and measurable based on historical trending, may qualify for a standing/open purchase order. Standing/Open purchase orders should be used in instances when there is a continuing need for small dollar goods or services and where it is not practical to establish a continuing agreement for the good or service.

Standing/Open purchase orders must go through the general requisition procedures as stated in these policies and procedures. Standing/Open purchase orders will **not** exceed \$49,999.99 in a fiscal year and will require three written quotes from vendors known to provide the services/items needed. Quotes should be solicited on the most common items which will be purchased with the standing/open purchase order. If the standing/open purchase order is expected to exceed \$49,999.99 in a fiscal year, a competitive formal solicitation request must be completed. **See Formal Solicitation Section**

Once a standing/open purchase order has been issued, normal invoice procedures will apply. Standing/open purchase orders will be closed at the end of each fiscal year. Departments will be required to submit a new request for a standing/open purchase order at the beginning of each fiscal year if it is needed.

PURCHASE ORDER CHANGE ORDER

A change to a purchase order requires a purchase order change order if a change is necessary to correct errors, omissions, discrepancies and/or to make monetary increases. Purchase order change orders shall not be used to avoid ANY standard purchasing procedures established within the Purchasing Policies and Procedures.

A purchase order change order **is not** necessary when making a decrease to a purchase order; however, a change order is required when cancelling a purchase order completely.

Agreement Change Orders to a Formal Solicitation

An agreement change order is necessary to correct errors, omissions, discrepancies, and/or to make monetary changes to an approved agreement. The agreement change order shall come from the Department that is responsible for managing the agreement. All agreement change orders must be presented to and approved by the District Board. Additional work performed under an agreement shall require an agreement change order to the original purchase order. For additional work requiring a change order the District Manager or designee has the authority to make the decision to continue work on the project prior to the change order being approved by the Board.

Purchase Order Change Order (PO/CO) Authorization Process

Requesting Department completes the Purchase Order Change Order Request Form and sends form for approval(s). Follow the purchase order change order process below:

Levels	Authorized Approvers	Category Requirements	Required Documentation
Category 1 Non-monetary change	Department Director, Finance & Purchasing Director	Only changing an account number, or location address, no matter the dollar amount	A completed Change Order Form with all supporting documentation
Category 2 Monetary change is less than \$24,999.99	Department Director, Finance & Purchasing Director	Any non-contractual PO/CO if the PO/CO does not cause the total purchase price (original purchase order plus all change orders) to exceed \$24,999.99	A completed Change Order Form with all supporting documentation
Category 3 Monetary change is between \$25,000 and less than \$49,999.99 (within one fiscal year)	Department Director, Finance, Purchasing Director & District Manager or Assistant District Manager	Non-contractual PO/CO if the PO/CO does not cause the total purchase price (original PO plus all COs) to exceed \$49,999.99	A completed Change Order Form with all supporting documentation
Category 4 Monetary change orders for contractual purchases from a formal solicitation less than 15% or \$25,000	Department Director, Finance, Purchasing Director & District Manager or Assistant District Manager	Formally Solicited Contractual Purchase Order that previously required Board approval	A completed Change Order Form with all supporting documentation
Category 5 Monetary change orders for contractual purchases from a formal solicitation in excess of 15% or \$25,000**	Category 4 Approvers & Board Chairperson or Vice Chair in their absence	Formally Solicited Contractual Purchase Order that previously required Board approval	A completed Change Order Form with all supporting documentation

**All expenditures in excess of 15% or \$25,000, whichever is higher, must be approved by the Board in advance of incurring such expense; however, in the case of an emergency expenditure affecting the health, safety or welfare of the District, its residents, or landowners, such expenditures must be approved in advance by the District Manager or Assistant District Manager and presented at the next Board meeting.

PURCHASING CARDS

Purpose

The purchasing card (P-card) program allows authorized cardholders to purchase authorized goods and services directly from vendors through the Purchasing Card System. Each purchasing card is issued in the names of the cardholder and the District. The Purchasing Department and the Finance Department are responsible for administration and oversight of this program. Cardholders are responsible for maintaining the purchasing card in their possession and adhering to the District Purchasing card's policies and procedures. A Purchasing Card's User's Guide is available online and will be given to each **Purchasing Card Holder. Purchasing will administer mandatory training to all users.** Department Directors are responsible for monitoring the purchasing card purchases of their employees. Controls have been developed for the Purchasing Card to ensure that the card is used only for specific purchases and within specific dollar limits.

- I. Ensure that purchases made with the Purchasing Card are in accordance with the Purchasing Policies and Procedures.
- II. Establish internal controls within each department to ensure that the Purchasing Card is used for authorized purposes only.
- III. Provide an efficient supplement to the District's purchasing system.

The purchasing card is **not** to be used to circumvent **any** purchasing procedures established within the Purchasing Policies and Procedures. The purchasing card is to be used for any purchase of \$5,000 or less and when a vendor will not otherwise invoice the District. If a vendor will not otherwise invoice the District, then such payment requests must receive approval from the Purchasing Director prior to purchase.

With prior written approval from the Purchasing Director, capital outlay items may be purchased utilizing the purchasing card. Such purchases will be followed with a Purchase Requisition Form within three (3) days of purchase. Additional information on the form will include the project name, project number (if applicable), location, cardholder's name and reason why it was purchased via purchasing card. A copy of the Purchasing Director's prior written approval shall be attached.

Purchasing Card Transaction Limits

The single dollar limit shall not exceed \$5,000 per transaction unless specifically approved by the District Manager. The Purchasing Director may temporarily increase a single transaction limit by up to \$1,500 if necessary via electronic request. In the event a permanent limit increase is necessary, the Department Director must submit the completed Purchasing Card Maintenance Form to the Purchasing Director. In special circumstances, verbal approval may be given by the District Manager. If verbal approval is given, the requesting Director must complete the Purchasing Card Maintenance Form after the purchase is completed. The approved Purchasing Card Maintenance Form must be attached to the Purchasing Card Expenditure Report and submitted to Accounts Payables for review along with the monthly statement.

Purchasing Card Monthly Reconciliation Process

To ensure prompt and proper payment of receipts/invoices, the following procedures should be strictly adhered to, noting that timeliness and completeness are of utmost importance to the success of the process. Once receipts and invoices have been reconciled and attached to the weekly Purchasing Card Expenditure Report, they must be submitted to the Accounts Payable Department. Cardholders must obtain the appropriate authorization from their Supervisor on the monthly statement and on the weekly Purchasing Card Expenditure Report before forwarding to Accounts Payable.

PURCHASE REQUIREMENTS FOR INFORMATION TECHNOLOGY SERVICES

All hardware, peripherals and software must be approved by the District's IT Coordinator or designee during the annual budget process prior to purchase or installation. This also includes online downloads of software.

- I. A written request for a quote, listing all specifications, must be submitted to the District's Information Technology Coordinator by the Requesting Department. The IT Coordinator will be responsible for providing pricing options available to the Requesting Department in concurrence with the Purchasing Policies and Procedures.

PURCHASE REQUIREMENTS FOR SOLE SOURCE & SINGLE SOURCE STANDARDIZED PURCHASES

It is the policy of the Villages Community Development Districts to purchase goods and services using full and open competition. However, there may be times when it is in the best interest of the District to purchase from a sole source or single source standardization. These approved purchases allow Requesting Departments to purchase goods without a competitive solicitation or quotes. Pre-approval must be obtained from the Purchasing Director prior to entering a requisition for these purchases. A sole source/single source standardization purchase is a waiver of the competitive requirements at all threshold levels.

Sole Source Purchase

A sole source is the only existing source of the item(s) that meet the need(s) of the Requesting Department as determined by a thorough analysis of the marketplace addressing all options. A request for a proprietary item does not justify sole source procurement if there is more than one potential vendor for the item. A Sole Source Purchase is defined as being non-competitive in price or availability, legally and reasonably purchased from only one source. Sole Source purchases require justification from the Requesting Department to Purchasing. Reasonable justification may include:

- I. The item is the only manufactured part or piece of equipment that will operate with a present component system, (OEM). However, there may be resellers.
- II. The item or service retains a copyright or patent and is only available from one manufacturer or developer. (Letter from manufacturer required, patent number)
- III. Investigation has shown that there is no other like item available that performs the same function.(Research required evidencing like brands)
- IV. The service being performed is only available from one source as a result of agreement, licensing requirements, warranty agreements. (Brand names **do not** constitute as a sole source)
- V. The sole source specification has been recommended by the architect or engineer of record, when appropriate.
- VI. Other reasons requiring extensive justification.

Single Source Standardization Purchase

A Single Source Standardization Purchase differs from a sole source purchase in that there may be 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 that purchase. A manufacturer may have designated exclusive territorial sales boundaries for its distributors. In this case, a letter from the manufacturer is required. A single source standardization purchase also may be a “best value” purchase after exhaustive research has proven that to use another brand or service would not be reasonable since the use of the part or service would cause undue hardship or modification to a present system or process which would potentially increase the overall cost to the District.

A Single Source Standardization of equipment allows the District to capitalize on purchasing economies and/or other benefits such as maintenance efficiency, spare parts consolidation, and interchangeability, etc., when the same type of equipment or goods are purchased consistently. Examples include firefighting bunker gear, breathing apparatus, firefighting equipment, vehicles, etc., for interchangeability and use by all fire departments. Other examples could include radio equipment, telephone equipment, etc. for interchangeability, cross use, and maintenance.

Process for Sole Source/Single Source Standardization Request and Justification

- I. The Requesting Department prepares a Sole Source/Single Source Standardized Request & Justification Form
 - a. **Sole Source Purchases:** a written statement/memo that a search for an alternative source was made and justification as to why the source selected is the only acceptable vendor fitting the need(s). The Sole Source/Single Source Standardized Request & Justification Form and the memo must be forwarded to the Purchasing Director for review.
 - b. **Single Source Standardized Purchases:** a written justification for the request. Justification could be based on issues such as, but not limited to, purchase economies, safety considerations, training, and/or maintenance economies. The Sole Source/Single Source Standardized Request & Justification Form must be forwarded to the Purchasing Director for review.
- II. Purchasing Director reviews the request and approves/denies the request and provides the findings to the District Manager to approve/deny. The Purchasing Director will notify the Requesting Department when the request is approved or denied.
- III. If approved by Purchasing Director and District Manager, Purchasing will electronically post a description of the desired purchase for a period of seven (7) business days, in accordance with Florida State Statute 287-057(5)(c).
 - a. This provides the opportunity for other vendors who may be able to offer a similar product or service to propose their product or service for review.
- IV. After seven (7) business days, the Requesting Department submits to Purchasing the following:
 - a. Purchase requisition (following the same process outlined in the **PURCHASE REQUISITIONS Authorization and Documentation Requirements Section**);
 - b. Approved Sole Source/Single Source Standardized Request & Justification Form including applicable documentation.
- V. If sole source/single source standardization is rejected, the normal requisition process and documentation requirements will apply.

NOTE:

- Requesting Department (with assistance of purchasing) may conduct negotiations with a sole source supplier for price, delivery, terms, and conditions. All such negotiations will require supporting documentation.
- An approved sole source determination will be valid for subsequent purchases of the same supply or service for one year from the original approval date. After expiration of the determination, the Requesting Department must repeat the above procedures as market conditions may have changed and more competition is available. If so, the item may need to be bid or documentation from the manufacturer or publisher, or copyright should be updated.
- A record of sole source/single source standardization approvals shall be retained by the Purchasing Department.
- These are not emergency purchases. Planned buying should always be a priority so that emergency expenditures are not necessary.

PIGGYBACK AGREEMENTS

As a governmental entity, the District has the ability to gain an economy of scale advantage and utilize agreements that have been formally solicited by another governmental entity.

Piggyback Procedures

This method of providing additional purchasing options is common practice in the public purchasing community and offers significant benefits. The use of comparable purchasing agreements allows the District to “piggyback” on other governmental agreements, thereby providing favorable pricing and reducing costs associated with preparing specifications and issuing formal solicitations.

To “piggyback” is a procedure of procuring goods or services without formal bid procedures by utilizing other public entity’s currently active, formally solicited and awarded agreement(s). The “Piggyback” Agreement will be in accordance with all the terms and conditions, unit prices, time frames, and other criteria as is included in the other public entity’s formal solicitation. Changes to terms, conditions and other criteria are not permitted.

End User Department representative (with assistance of purchasing) will contact other governmental agency to determine if commodities and/or services conform to what is required by District and use of “Piggyback” Agreement is permissible. Vendor(s) under an agreement will then be contacted to ensure they agree to be bound by District “Piggyback” Agreement

The following items are required to be part of the procurement package prior to presenting “Piggyback” Agreement to the District Board(s) for approval:

- I. A full copy of the entities formal solicitation including all addendums
- II. Vendor’s price sheet
- III. Public Agency’s authorization on letterhead or via email verifying the integrity of the agreement in which the District is wishing to “piggyback”
- IV. Vendor’s authorization on letterhead or via email to identify permission and offering to honor the same prices, under the same terms and conditions as indicated in the formal solicitation to the District;
- V. Vendor and Public Agency’s executed agreement;
- VI. Vendor’s E-Verify compliance;
- VII. Vendor’s compliance of District insurance requirements;
- VIII. Create a “Piggyback” Agreement utilizing the Public Agency/Vendor Agreement and acquire Vendor’s signature of approval
- IX. Upon obtaining all the above documentation, Purchasing will create an agenda item and present to the applicable District Board for approval

Age Intended Agreement to be Piggybacked

If the agreement to be piggybacked has remaining terms, beyond the current term, District may piggyback on that agreement, at its discretion, or the full remaining term(s), including renewals and extensions. Weighing time and necessity of goods or services against schedule of critical needed for those goods or services. Department Director along with Purchasing Director will make case by case assessment and present request to District Manager for approval of any short term piggyback agreements.

NOTE:

Once a Board approves a “Piggyback” Agreement and the funds are in an approved budget, then said Board **does not** need to approve each purchase that exceeds the formal solicitation threshold.

“Piggybacking” is not permissible on the following:

- Federally funded projects administered through the Local Agency Program (LAP) or Federal Emergency Management Administration (FEMA.)
- Sole Source/Single Source/Standardization Agreements.
- Expired Agreements

UTILIZATION OF COOPERATIVE/CONSORTIUM AGREEMENTS

Similar to “Piggybacking” agreements, the District has the ability to utilize an active agreement from another agency that has been formally solicited by a Cooperative/Consortium in which the District is an active member. A Cooperative/Consortium is an association of two or more individuals, companies, organizations or governments with the objective of participating in a common activity or pooling their resources for achieving a common goal. Cooperative/Consortium procurement agreements are usually based on the combined requirements of multiple organizations. It is a best practice to consider the use of Cooperative/Consortium procurement agreements, on a case-by-case basis, and only after proper due diligence has been performed.

By utilizing a Cooperative/Consortium agreement, the District has the ability to gain an economy of scale advantage, lower administrative costs, obtain higher quality products/services, standardize products, increase competition, and obtain more favorable terms and conditions. Prior to using a Cooperative/Consortium agreement, attention should be given to ensuring legal compliance, open competition, and effective/efficient use of time and resources. Dependent on need, proper procedures and protocol for utilization of a Cooperative/Consortium agreement will be based on thresholds for approvals by the Purchasing Director, District Manager or the appropriate Board. If Board approval is required, appropriate agreement and agenda item will be created and presented to the Board.

Authorized Purchasing Cooperatives/Consortiums for use by the District may include; but not limited to, the following:

- National Cooperative Purchasing Alliance (NCPA)
- National IPA-The Cooperative Purchasing Network (TCPN),
- Sourcewell (Formerly NJPA)
- The Interlocal Purchasing System (TIPS)
- The Florida Sheriffs Association
- Florida Department of Management Services (Division of State Purchasing)
- GSA Cooperative Purchasing Program
- U.S. Communities
- Other State Agreements

Conducting Due Diligence

Prior to making the decision to use a Cooperative/Consortium agreement, procurement should conduct extensive due diligence by following this checklist:

- I. Compare the Cooperative/Consortium agreements available for the required product or service, conduct market research, and evaluate whether the use of a Cooperative/Consortium agreement is appropriate.
- II. Ensure that the use of the Cooperative/Consortium agreement meets all competitive requirements.
- III. Review the Cooperative/Consortium agreement for conformance with all applicable laws and best practices.
- IV. Analyze the product or service specifications, price, terms and conditions and other factors such as: cost to utilize the agreements, shipping, minimum spend requirements, and availability of agreement documentation, to ensure that the Cooperative/Consortium agreement produces best value.
- V. Ensure that the organization’s required terms and conditions are incorporated into the agreement.
- VI. Contact the Cooperative/Consortium lead government agency to verify agreement application and eligibility.

FORMAL SOLICITATIONS

Generally, formal solicitation procedures are required for purchases which exceed or will exceed \$49,999.99 both individually and collectively annually and are initiated using Invitations to Bid (ITBs), Requests for Proposals (RFPs), Requests for Qualifications (RFQs), and Requests for Information (RFIs). Additional purchases may require formal solicitation procedures at the discretion of the Purchasing Director or District Manager. Some purchases that may exceed \$49,999.99 are exempt from the formal solicitation procedures. For a complete list of exemptions, see the **Formal Solicitation Exemptions Section** of these policies and procedures. All goods and services of a similar nature will be consolidated where practical for purchase through a formal solicitation.

Requesting a Formal Solicitation

The Formal Solicitation Request Form shall be completed by the End Using Department and include attachments (if applicable) of all supporting documentation i.e. plans, maps, specifications to be submitted for approvals. Purchase Director in conjunction with the Requesting Department shall identify which formal solicitation method is the most advantageous to the District. Formal Solicitations should contain the following elements in addition to any special rules or other forms or notices required by the District or Florida Statutes:

- I. Requesting Department must include detailed specifications clearly, accurately, and completely for the product or service to be purchased and shall include; but not limited to, the following:
 - a. Intent and scope of work
 - b. Functional and general information or a narrative of the end goal that is desired by the requesting department
 - c. Include a list all minimum requirements such as, but not limited to, years of experience, certifications, and licensure
 - d. Functional and general information or a narrative of the end goal that is desired by the requesting department
 - e. Bid form must clearly identify the quantity or estimated quantity to be furnished by the vendor
 - f. Applicable law and rule requirements
 - g. Time and place of product delivery
 - h. Dimensions, tolerance, and performance expectations of an item or service (if applicable)
 - i. Unnecessarily, restrictive specifications or requirements that might unduly limit the number of respondents are prohibited. Careful attention must be given when a specific item/service is identified:
 - avoid identifying unjustified performance characteristics, i.e. the specific wheelbase of a vehicle within 6 inches may be irrelevant and unduly eliminate a vendor without sufficient reason
 - avoid identifying a specific brand or manufacturer unless the item is a previously approved District Single Source Standardization item
 - j. Alternative products for consideration, or justification as to why no alternates will be accepted for review
 - k. A response, or lack thereof, to a solicitation does not qualify or disqualify a vendor nor give future advantage to a vendor unless so stated in the solicitation document as issued.

- II. The Purchasing Department will supply a list of solicitation submittal instructions for potential bidders/proposers and shall include; but not limited to, the following:
- a. A list of all required documents to be included in the respondent's submittal
 - b. Important timelines and due dates are clearly listed
 - c. Evaluation criteria (if applicable)
 - d. Bond information (if applicable)
 - e. District insurance requirements
 - f. Any other forms or notices required by the District or Florida State Statutes

Types of Formal Solicitations

Typical formal solicitations utilized by the District include Invitations to Bid (ITBs), Requests for Proposals (RFPs), Requests for Qualifications (RFQs), and Requests for Information (RFIs).

Invitation to Bid (ITB)

An Invitation to Bid (ITB) involves the issuance of a formally advertised solicitation which calls to vendors to submit a sealed bid for a product or service with clear specifications and adequate available competition. Price is the determining factor based on the lowest most responsible and responsive bidder whose bid will be most advantageous to the District.

Request for Proposal (RFP)

A Request for Proposal (RFP) is described as a request for products or services in which case other reasons for award, other than price, are the main consideration such as qualifications, technology used and experience with the ability to negotiate being desired or required. An RFP is evaluated by a formal Selection Committee and awarded to the highest scored, most responsible/responsive proposer.

Evaluation Forms with weights/values specific to the RFP will be used by the Committee to score each submittal. Qualifications and technical aspects generally hold more weight than pricing in an RFP, however pricing is still a factor in consideration during the evaluation process. (See Selection Committee Policies and Procedures Section)

Request for Qualifications (RFQ)

A Request for Qualifications (RFQ) is a procurement approach which places greater emphasis on the actual qualifications and licensure of the potential vendor, his or her track record, rather than how well the potential vendor responds to detailed project specifications and requirements. This process may be used to pre-qualify potential bidders for major procurements or projects in advance of issuing a solicitation thus creating a "short list" of approved bidders reducing the evaluation time after bids and/or proposals are received. **Evaluation Forms with weights/values specific to the RFQ will be used by the Committee to score each submittal. Qualifications and technical aspects generally hold more weight than pricing in an RFQ, however pricing is still a factor in consideration during the evaluation process.** (See Selection Committee Policies and Procedures Section)

Request for Information (RFI)

A Request for Information (RFI), while not a procurement category, is an important tool used to increase knowledge about goods or services and their availability and capability. An RFI should be used when the requestor for the good or service is not knowledgeable regarding the current "state-of-the-art" in the area under consideration. It is actually a form of market research used prior to an RFP. In using the RFI, purchasing can obtain valuable information from potential suppliers of goods and services by requesting the information. This process can be beneficial in assisting in learning about potential sources and solutions for its need without expending the time to prepare and evaluate an RFP. Usually enough information will be obtained to enable the District to develop more successful specifications and scope of work for a potential RFP.

Formal Solicitations for Professional Services (RFP, RFQ or RFI)

Professional services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of the state, 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 must be processed through competitive solicitation. Formal solicitation procedures for a RFP/RFQ/RFI will be followed with one exception: after the RFP/RFQ/RFI opening has been completed, the Selection Committee shall proceed pursuant to Florida Statute 287.055(3) known as the Consultants' Competitive Negotiation Act (CCNA) as well as the Brooks Act (40 U.S.C. 1101). Federally funded projects are subject to The Brooks Act: Federal Government Selection of Architects and Engineers, in accordance with Public Law 92-582. However, for legal services or accounting services, the Selection Committee may proceed with ranking and negotiations at its discretion with less than three firms, if it deems this to be in the best interest of the District(s). RFP/RFQ/RFI shall be awarded to the highest scored responsible/responsive vendor by a formal selection committee. **Evaluation Forms with weights/values specific to the RFP/RFQ/RFI will be used by the Committee to score each Proposal. Qualifications and technical aspects generally hold more weight than pricing in an RFI, however pricing is still a factor in consideration during the evaluation process.** See Selection Committee Policies and Procedures Section.

The following types of professional services may be acquired through competitive negotiations:

- I. Legal services - attorneys and legal professionals;
- II. Accounting services (not including auditors); and
- III. Architecture, professional engineering, landscape architecture, or a registered land surveying as defined by Florida Statute 287.055 (CCNA). If Federally funded, these projects are subject to The Brooks Act in accordance with Public Law 92-582;
- IV. Audit services (procured pursuant to Florida Statute 218.391)

Formal Solicitation Procedures

- I. The Requesting Department shall complete, sign and submit a Solicitation Request Form for each formal solicitation needed and forward the form and supporting documentation to Purchasing. Purchasing will review the request for all required documentation and forward the Solicitation Request Form to the Budget Director and the District Manager for approval. Upon District Manager approval, Purchasing will begin the solicitation process with assistance from the Requesting Department.
- II. The Requesting Department, in conjunction with the Purchasing Department, will formulate specifications using guidelines depicted within these policies and procedures for ITBs, RFPs, RFQs and RFIs.
- III. The Purchasing Department shall determine how long to post, and specify the date, time and location for receiving formal solicitations, as well as the date, time, and location of the formal solicitation opening. Input from the Requesting Department will be taken into consideration.
- IV. Pre-proposal or pre-bid meetings, when required, should provide clarification of information for prospective consultants, vendors, or contractors to ensure that they submit formal solicitations with the best possible understanding of conditions and circumstances surrounding the project. The Requesting Department shall determine if a pre-proposal or pre-bid meeting is required. If they are determined to be required, they must be identified as being "mandatory" or "non-mandatory" within the bid documents.

- V. Purchasing Department will advertise the request for formal solicitation in a newspaper of general circulation, in compliance with Florida Statute 255.0525. Purchasing Department will also post and transmit on DemandStar to the appropriate registered vendors from the "Bidders List" and on the District website at www.Districtgov.org. Solicitation responses shall be received and opened at the location, date, and time established in the advertisement.
- VI. The Purchasing Department shall maintain all formal solicitation documents both manually and electronically before and after District Board approval. The original recordings of any open public meetings shall be made available for public review and will be filed with the solicitation.
- VII. All Solicitations should include the following provisions:
 - a. In accordance with Florida Statute 287.057(23), each solicitation for the procurement of commodities or contractual services shall include the following code of silence/blackout period provision: "Respondents to this solicitation or persons acting on their behalf may not contact, between the release of the solicitation and the end of the 72-hour period following the agency posting the notice of intended award, excluding Saturdays, Sundays, and state holidays, any employee or officer of the executive or legislative branch concerning any aspect of this solicitation, except in writing to the procurement officer or as provided in the solicitation documents. Violation of this provision may be grounds for rejecting a response."
 - b. Conditional bids/proposals will not be considered unless all information is indicated on the Exceptions and Deviations page with all attached documentation if applicable.
 - c. The District reserves the right to accept or reject any and all bids/proposals in whole or in part, to waive informalities in the bidding/proposal documents, to obtain new bids/proposals, or to postpone the bid/proposal opening if deemed in the best interest of the District. Bids/Proposals shall be valid for a minimum period of ninety (90) days after the date of the bid/proposal opening.
 - d. Estimated quantities are given only as a guideline for preparing a Bid/Proposal in response to the solicitation. Actual quantities may vary from the estimates given and are dependent upon the needs of the District and the availability of funds. If unit pricing is being requested for Commodities, the unit price shall remain as accepted at agreement award.
- VIII. Formal responses will be opened at a public meeting in accordance with Florida Statute 119.71 and Florida Statute 255.0518 by a Purchasing Representative. All public meetings will allow for a public forum per Florida Statute 286.0114.
 - a. A Representative from the Purchasing Department will attend the formal solicitation opening along with one other District Staff member.
 - b. The formal solicitations can be opened in alphabetical order, by chance, time received, or at the discretion of the Purchasing Representative.
 - i. For ITBs, Vendor name and pricing will be read aloud and recorded
 - i. For RFPs, RFQs, and RFIs. Only the Vendor name will be read aloud and recorded
 - c. Once formal responses are opened, the contents of the submittals including the time stamped envelope should be checked to determine that all required documents are enclosed.
 - i. If a formal response does not contain all the required documents or the documents are incomplete, the Purchasing Representative will present the response to the Purchasing Director to determine if the submission is deemed responsive or non-responsive.
 - Responses with minor infractions: The Purchasing Representative will discuss with Purchasing Director if infractions are actually minor, and if so will notify the vendor and allow for an immediate correction to the minor infraction.

- Responses with major infractions (completed bid forms missing, use of incorrect bid form, etc.): These submittals will be considered non-responsive and rejected by the Purchasing Representative. Notification will be given to the End User of the ruling. The Purchasing Representative will also identify the ruling on the opening tabulation (Notice to Respondents) for posting on DemandStar and the District website.
 - d. The Purchasing Representative will check the formal responses for any exceptions or deviations to the specifications or plans stated in the project. Any exceptions or deviations must be reported to the Purchasing Director and/or End User (Requesting Department).
 - e. All unit prices, extensions, and total dollar amounts will be checked for accuracy. Calculation errors may be corrected; however, the unit price will always prevail.
 - f. If all formal responses are rejected, the Purchasing Representative will be directed by the Purchasing Director on how to proceed per the need of the project.
- IX. The Basis for Award(s)
- a. Split Bids/Proposals. When in the best interest of the applicable District(s), the award of a bid/proposal shall be made to the lowest, most responsive and responsible vendor on the basis of each item, or group of items, per District within the project(s) location.
 - b. Tie Bids/Proposals. In the event two (2) or more vendors submit identical tie submittals with respect to price, quality, and service, or should two (2) or more firms be deemed equal during the Request for Proposal selection process, the following criteria, in order of importance, shall be used to break said tie:
 - i. All required Solicitation documents must have been **fully completed** with the original bid/proposal submittal. Corrections of minor infractions will disqualify a tied vendor.
 - ii. Location of vendor's place of business relative to the District
 - iii. If all conditions being equal, the District shall initiate the following actions:
 - Flip a coin (Coin toss must be recorded and witnessed), or
 - Reject all Bids and re-solicit the service.
 - c. Less Than Two Bids/Proposals Received. If less than two Bids/Proposals are received, the District may negotiate the best terms and conditions with that Bidder/Proposer, or reject the Bid/Proposal and re-solicit the service.
- X. If no formal responses are received by the District, the project will be considered cancelled and the Purchasing Director as well as the Department Director will be notified. The Requesting Department will be directed by the Purchasing Director on how to proceed per the need of the project.
- a. Revise specifications, reissue as new solicitation
 - b. Issue as rebid with same specifications and same solicitation number
 - c. Do not resolicit
- XI. The cancellation of a formal solicitation usually involves a loss of time, effort, and money spent by the District and bidders. Invitations should not be cancelled unless cancellation is clearly in the Districts best interest and:
- a. Where there is no longer a requirement for the goods or services, or
 - b. Where addendums to the solicitation would be of such a magnitude that a new solicitation is desirable
 - c. The notice of cancellation shall:
 - i. Identify the formal solicitation by number and title
 - ii. Briefly explain the reason the invitation is being cancelled

- iii. Where appropriate, assure prospective bidders that they will be given an opportunity to bid on any re-solicitation of bids or any future requirements for the type of goods or services involved.
- XII. After completion of the formal solicitation evaluations, a tabulation of qualified and responsive vendors will be compiled by the Purchasing Department. The Purchasing Representative will recommend the award of the formal solicitation to the Requesting Department in writing with adequate justification.
- XIII. Purchasing Department will issue a notice of Intent to Award to the successful bidder/proposer and collect a vendor executed agreement, insurances, E-Verifies, and other applicable documentation to submit for approval by the applicable District Board(s) with appropriate agenda item.
- XIV. Agreements shall not be awarded to vendors, firms, and/or any agency that could be deemed as a conflict of interest in accordance with Florida Statute 112.3135. The District reserves the right to reject any agreement.
- XV. Following award by the appropriate Board and after receipt and approval of insurances, bonds, E-Verifies and other required documentation (if not previously submitted), the Purchasing Representative and Requesting Department will conduct a pre-construction meeting to review project, start dates and timeline and execute the Notice to Proceed.
- XVI. In the instance of a default by the intended Bidder/Proposer Awardee, the District reserves the right to utilize the next lowest Bidder or second ranked Proposer as the new Awardee. In the event of this occurrence, the following will apply:
 - a. The next lowest Bidder/second ranked Proposer, if in acceptance of the award, shall be required to provide the bid/proposal items at the prices and terms as contained in their original bid/proposal submittal for the commodity/services noted in the solicitation.

Payment & Performance Bonds and Sureties

- I. In accordance with Florida Statute 255.05, a payment and performance bond is required in the amount of 100% of agreement price when the minimum bid is \$200,000 or more for Construction Projects. "Performance Bond" means a bond of a Contractor in which a surety guarantees to the District that the work/services will be performed in accordance with the agreement documents. Upon award, the successful bidder/proposer shall provide a Performance Bond, in the form of a Certified Bond, from an established Bonding Agency licensed to do business in the State of Florida.
 - a. If the project is less than \$200,000 and requires a Payment and Performance Bond, it will be stated in the specifications under a section/provision entitled "Payment and Performance Bond." Copy of these bonds will be maintained and validated by the owning Department. Awardees will provide all applicable certifications/licensing requirements during the bid process.
- II. If a project requires a Payment and Performance Bond, bidders/proposers must provide **proof (surety)** of the ability to obtain a performance bond in an amount equal to 100% of the total amount bid for the solicitation. "Surety" means an organization which, for a consideration, promises in writing to make good the debt or default of another.
 - a. The surety must hold a certificate of authority as an acceptable surety on federal bonds as published in the current Circular 570, U.S. Department of the Treasury, and the Federal Register effective July 1, annually, as amended.

Warranties

- I. All facilities/infrastructure projects will require at least a one-year warranty period from the date of substantial completion for the project, or subset, to the end of the warranty. Special goods or equipment such as HVAC, generators, etc., will carry the normal manufacturer's warranty, in addition to the one year for installation. In general, warranties will be required as per the AIA Contract Document, A201- 2007, or most current equivalent.

Formal Solicitation Protest Procedures

Any bidder opposed to a recommended decision on any formal solicitation award must file in accordance with the process stated within the formal solicitation document, a written notice of intent to file a protest, within seventy-two (72) hours (excluding Saturdays, Sundays, and legal holidays), after the posting of the formal solicitation tabulation. (All formal solicitations (information to bidders section) shall contain the above statement).

The written protest must be submitted within three (3) business days (72 hours) 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.

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.

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.

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 agreement, 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 agreement without delay is necessary to protect substantial interests of the District.

The Purchasing Authority or designee shall have the authority to review and attempt to resolve the protest informally.

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 nonvoting 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.

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.

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.

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.

The determination of the District Board shall be the final and conclusive administrative decision by the District regarding a bid protest.

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 an agreement 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 an agreement 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 blackout 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 blackout period (as defined in the Formal Solicitation section of this document) restrictions.

Formal Solicitation Exceptions

The requirement for competitive solicitation procedures shall be waived for the purchase of:

- I. Books, periodicals, software, printed materials, artwork, photographs, film, film strips, video tapes, disk or tape recordings or similar material where such materials are purchased directly from the producer or publisher, the owner of the copyright, an exclusive agent with the State, a governmental agency, or a recognized educational institute.
- II. Utilization of goods or service agreements from established State of Florida, Consortiums, Cooperatives, PRIDE, SNAPS, SPURS, PAEC, RESPECT, NJPA (Sourcewell), NIGP, FL Sheriffs Association, government pricing, federal general services administration agreements and other agreement s competitively solicited by government entities.
- III. Purchase, lease, or rental of real property except to the extent required by State law, abstracts of titles for real property, title insurance for real property.
- IV. Goods, professional services, and agreement services from a sole source, single source or standardization upon justification by the Department Director and approval of the Purchasing Director. Justification shall state the conditions and circumstances requiring the sole source, single source or standardization purchase.

- V. Public utility services.
- VI. Grants (direct payment to the granting agency).
- VII. Advertisements, postage, legal services, expert witnesses, court reporter services.
- VIII. Dues and memberships in trade or professional organizations, fees and costs of job- related seminars, training, and travel.
- IX. Artists, music ensembles, bands and other entertainment providers.
- X. Animals/Fish.
- XI. Emergency purchases.
- XII. Other goods or services as determined by the District Manager.

Public Record Exceptions for Formal Solicitations

General exemptions from inspection or copying of public records for formal solicitations:

- I. In accordance with Florida Statute 119.071(b)(2), Sealed bids, proposals, or replies received by a Florida agency pursuant to a competitive solicitation shall remain exempt from disclosure (119.07(1) and s. 24(a), Art. I of the State Constitution) until such time as the agency provides notice of an intended decision or until 30 days after opening the bids, proposals, or final replies, whichever is earlier.
- II. In accordance with Florida Statute 119.071(b)(3), If an agency rejects all bids, proposals, or replies submitted in response to a competitive solicitation and the agency concurrently provides notice of its intent to reissue the competitive solicitation, the rejected bids, proposals, or replies remain exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution until such time as the agency provides notice of an intended decision concerning the reissued competitive solicitation or until the agency withdraws the reissued competitive solicitation. A bid, proposal, or reply is not exempt for longer than 12 months after the initial agency notice rejecting all bids, proposals, or replies.

Selection Committee Policies and Procedures

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

The Selection Committee generally consists of five (5) members representing a cross-section of District employees and/or Consultants for the District with knowledge of the commodities or services sought. Three (3) Selection Committee members shall be recommended by the requesting Department Director and submitted to the Purchasing Director and District Manager for review. The Purchasing Director shall select the final two (2) members to ensure a qualified and impartial Selection Committee. 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:

- I. Current employment or past employment with the proposer within one (1) year prior to the evaluation.

- II. Serving as a current consultant or past consultant for or with the proposer being evaluated within one (1) year prior to the evaluation.
- III. Having an ownership interest (stocks or assets) in the proposer being evaluated at the time of the evaluation (excluding mutual funds).
- IV. 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.
- V. Serving as an officer and/or director in the proposer being evaluated at the time of the evaluation.
- VI. Being a party to any current or past litigation / lawsuit with or against the proposer being evaluated.
- VII. 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 in the Calendar on the Purchasing Division website and shall also be included in the Request for Proposal solicitation posted on both DemandStar and District website. The notice shall be posted at least one day before the meeting date. Such notice shall include:

- I. Name and/or purpose of Selection Committee.
- II. Time and place of meeting.
- III. 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 Division.

Selection Committee Process

- I. A Purchasing Department Staff member shall serve as chair to the Selection Committee and will coordinate all scheduling with the Requesting Department. It is the responsibility of the Purchasing Department to ensure proper public notice is issued for the meeting(s).
- II. Selection Committee members shall comply with full confidentiality after receipt of proposal until such time as a Notice to Award is given to the contractor/vendor.
- III. Selection Committee members shall refrain from any conversations with each other for the duration of the process except during properly noticed Committee meetings.
- IV. Selection Committee members must attend all scheduled meetings including any oral presentations by the proposers.
- V. Selection Committee members must evaluate 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.
- VI. The Purchasing Department is responsible for conducting reference checks of bidders/proposers.
- VII. The Purchasing Department is responsible for ensuring recorded minutes and attendance is recorded for all meetings.
- VIII. Evaluation Forms with weights/values specific to the RFP will be used by the Committee to score each Proposal. ***Qualifications, experience and technical aspects generally hold more weight***

than pricing in an RFP, however pricing is still a factor in consideration during the evaluation process.

- IX. Starting alphabetically by proposal and alternating by Selection Committee Member, each Member will speak to each submitted proposal based solely on the written response. After all members have spoken, they will be given time to review, adjust and finalize their scores before turning in to the Purchasing Staff for calculations for scoring and ranking. ***In addition, no questions can be asked by or to the attendees present at the meeting.***
- X. Based on time, the scores and rankings may be read after the Purchasing Department completes verification of calculations and completeness of each evaluation form. Once review is complete the ranking and score for each proposer will be read from the bottom up until the #1 ranked proposer is identified.
- XI. 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 proposal file and must be completed, signed and dated in ink. If one final scoring sheet is produced, all Selection Committee members must sign the sheet to indicate agreement.
- XII. The Selection Committee may also produce an evaluation summary at Purchasing'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.
- XIII. All Selection Committee meetings are open to the public per Sunshine Law requirements; however, the public may not participate in the evaluation process.
- XIV. After the Selection Committee is concluded, the Purchasing Department will take all Evaluation Sheets back to the Purchasing Department to verify that the scores and rankings announced were accurate and if so results will be issued on the final Notice to Respondents and posted on DemandStar and the District website.
- XV. If the Selection Committee desires product demonstrations and/or oral presentations, the Purchasing Department shall coordinate the times and location. Only the bidders/proposers that are being considered for award may be asked to participate in the demonstration (unless the demonstration for respondents is a requirement of the solicitation). A representative from the Purchasing Department shall be present at all demonstrations and/or oral presentations.
- XVI. Any products left in the custody of the District for further testing or review shall be responsibility of the Purchasing Division. Once the testing or review has been completed, the Purchasing Department shall notify the proposer that the product is ready to be returned.

After the completion of formal solicitation evaluations, the Selection Committee shall recommend to award to a specific vendor or reject all formal solicitations to the District. If a recommendation to award is given, a notice of intent to award and agreement (if agreement negotiations are not necessary) are sent to the successful proposer for agreement execution to be returned to the Purchasing Representative along with insurance, bonds, and other required documentation if not submitted prior.

The Purchasing Department prepares an item for placing the award request on a Board agenda. Once approved by the appropriate District Board, the authorized official executes the agreement. Purchasing shall schedule a pre-work/pre-construction meeting if required to include a Purchasing Representative, Requesting Department Director, and pertinent stakeholders. A notice to proceed is prepared and issued if applicable. The Requesting Department Director or designee submits an executed purchase requisition to the Purchasing Department for processing and distribution to awardee and District Department(s). No work shall begin or order shall be placed prior to this process.

AGREEMENTS

The authority to enter into agreements for the purchase of solicited goods and services at or exceeding \$50,000 in cumulative value shall be presented by the Purchasing Director or District Manager to the applicable District Board for review and approval. All agreements shall be deemed to include all provisions of Florida Statute 190.033 and 287.058 and also other laws pertaining to District Government. All procurement agreements shall be subject to such provisions and laws regardless of whether such laws are referred to in the agreement.

All agreements resulting from a formal solicitation shall be prepared and processed by the Purchasing Department unless prepared by the vendor/consultant only if agreed to and approved by the District Manager and reviewed by the District's Attorney.

All original Vendor signed agreements will be forwarded to the District Clerk who is the designated official record custodian of all District documents. Upon District Board approval, a copy of the executed agreement(s) will be forwarded to the Purchasing Department.

Renewals

All agreements up for renewal shall be reviewed by the Purchasing Director or designee. The Purchasing Department will work with End User Department to determine if it is their desire to enter into additional renewal periods as outlined in the terms of the agreement. If so, the Purchasing Department will request and obtain the vendor's authorized acceptance in writing to enter into additional renewal period without price increase. In determining the value of the agreement, all proposed renewal clauses must be considered.

Automatic Renewals (if stated in original agreement)

Any agreements resulting from a formal solicitation listing Automatic Renewal terms in the agreement for any or all additional periods must be presented to the appropriate Board in an agenda item when requesting approval of award. If there are no price changes, then the renewal does not have to be presented to the Board for approval. However, if any pricing is to change, all renewal/amendments must be presented to the appropriate Board for approval.

Amendments

Amendments to an Agreement are required for all price changes if so determined as part of the original term of the Agreement or language additions or deletions. If Agreement requires an Amendment, a request must be submitted in writing by the contractor (on their letterhead) and/or the end using department, dependent on reason for request, to the Purchasing Staff along with all proper specifications and documents pertaining to request to amend. All Amendments to an Agreement must be submitted to the appropriate Board for approval.

Termination of Agreements

Agreements requiring termination for any reason during their initial term can only be terminated by the Board that approved the award. Termination request will be presented to the appropriate Board in an agenda request.

Prohibitions to Agreements

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

Lease Agreements

District Lease Agreements are the responsibility of the following Departments: (Purchasing may however assist with solicitation of services when deemed necessary)

District IT Department

- Printers/Copiers
- Other related IT equipment

District Administration Department

- Squares
- Hospitality Huts (on the squares)
- District Owned Buildings (office space, fire stations, etc)
- ATMs
- Vehicles

VENDOR INFORMATION

As stated in the General Purchasing Policies section of these policies and procedures, it is the intent of the District to provide all vendors, (with the exception of those on the Florida Department of Management Services Convicted Vendor List, per Florida Statute 287.133(3)(d)) with a fair and impartial opportunity in which to compete for the District's business. Vendor preferences will be awarded only if so stated within these policies and procedures.

Authority to Debar or Suspend a Vendor

After reasonable notice to the person or entity involved and reasonable opportunity for that person or entity to be heard, the Purchasing Department, after consultation with the affected user(s) and the District's Attorney, shall have authority to debar a person or entity for cause from consideration for submitting formal solicitation responses and award of agreements, provided that such debarment shall not be for a period of more than three years. Vendors that have been disqualified from consideration as an eligible vendor may be reinstated upon written request and approval of the Purchasing Director; however, debarred or suspended firms shall not be reinstated during the period of a debarment or suspension.

Vendor Requirements

Vendors shall be responsible for adhering to the general vendor requirements by meeting the following additional vendor requirements for formal solicitations:

- I. All vendors awarded under a quote or solicitation process to perform work on District property shall complete the E-Verify and COI requirements stated within these policies and procedures. Vendors must also provide a W-9.
- II. Vendors desiring to do business with the District are required to have a substance abuse policy and provide a Drug Free Workplace Certificate during the formal solicitation submittal process. The policy of the District is to provide a drug-free workplace.
- III. To the extent permitted by law, all vendors desiring to do business with the District shall have an Equal Opportunity Employment Policy which prohibits illegal discrimination in employment as defined by Executive Order 11246 and 11375, and subsequent amendments.
- IV. All contractors/vendors agree to hold the District harmless against all claims for bodily injury, sickness, disease, death or personal injury, or damage to property or loss of use resulting from agreement, unless such claims are a result of the District's sole negligence.
- V. Per Florida Statute 489.113(2), a person must be certified or registered in order to engage in the business of contracting in this state. However, for purposes of complying with the provisions of this chapter, a subcontractor who is not certified or registered may perform construction work under the supervision of a person who is certified or registered, provided that the work is within the scope of the supervising contractor's license, the supervising contractor is responsible for the work, and the subcontractor being supervised is not engaged in construction work that would require a license as a contractor under any of the categories listed in Florida Statutes 489.105(3)(d)-(o).
- VI. Depending upon the goods or services provided by the vendor, additional documentation may be required.

Vendor Ethics

This vendor ethics portion of the policy covers a wide range of business practices and procedures. It does not cover every issue that may arise but provides a basic set of principles to guide all employees, officers, and directors of companies transacting business with the District. Obeying the law, both in letter and spirit is the foundation on which a vendor's ethical standards are built. All vendor employees, officers, and directors must respect and obey the laws and regulations of the agencies with which they operate. Vendors shall be responsible for complying with the following vendor ethical requirements:

- I. Shall promptly disclose any conflicts of interest.
- II. Shall not profit from a conflict of interest on the part of a District employee.
- III. Shall not compensate District employees for the performance of any activity related to the performance of his or her official duties.
- IV. Shall not make illegal political contributions.
- V. Shall not profit, directly or indirectly, from the use of any secret or confidential knowledge or data of the District that a District employee has illicitly disclosed.
- VI. Shall not influence, or attempt to influence or cause to be influenced, any District employee in his or her official capacity in any manner, which might tend to impair his or her objectivity or independence of judgment.
- VII. Shall not cause or influence, or attempt to cause or influence, any District employee to use, or to attempt to use, his or her official position to secure unwarranted privileges or advantages for the vendor or any other person or entity.
- IX. Shall promptly report any illegal or unethical behavior.

Vendor Preferences

Goods and services offered to the District, based upon State of Florida agreement prices, are considered to be competitively bid and to have satisfied the requirements of the competitive bidding process. The State of Florida Department of Management Services, Division of State Purchasing administers statewide agreements and agreements for use by State of Florida agencies, local governments, educational institutions, and other entities as defined in rule section 60A- 1.005, Florida Administrative Code. Statewide agreements enable eligible users to pool their buying power to lower total costs and reduce administrative burden while complying with Florida Statutes Chapter 287 governing the purchase of goods and services.

E-Verify

All vendors are required to register with E-Verify, unless they are exempt per the E-Verify Exemption List. The E-Verify is a system established by the U.S. Department of Homeland Security to determine the immigration and work-eligibility status of prospective employees. All organizations, businesses and/or individuals desiring to do business with the District shall certify to the District that they are in compliance with the federal E-Verify program for all employees hired on or after the date of the contractor's registration on the Department of Homeland Security website <http://www.dhs.gov/e-verify> by providing the Memorandum of Understanding (MOU) electronic signature page with the date of registration and company ID number. In the case of contractors, this includes obtaining written certification from all subcontractors who will participate in the performance of the agreement. All subcontractor certifications must be kept on file with the contracted vendor and made available to the state and/or the District upon request. The District reserves the right to take action against any contractor deemed to be non-compliant. Potential actions may include, but are not limited to, cancellation of the agreement and/or suspending or debaring the contractor from performing services for the District. E-Verify Exemption List (See the Department of Homeland Security website)

Certificate of Insurance (COI)

The contractor shall maintain, on a primary basis and at its sole expense, at all times while performing work for any of the Districts, the “**Standard Insurance Requirements**” described herein. Contractors responding to a competitive formal solicitation shall provide with their submittal, a Certificate of Insurance (COI) or a letter from the insurance company stating required coverage is obtainable. Prior to commencement of any work for the Districts, a COI fulfilling all Standard Insurance requirements must be received and approved by VCCDD. Work is defined as any service provided to the Districts by a vendor/contractor who must access District property in order to provide the service(s). The requirements contained herein, as well as the District’s review or acknowledgement, is not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the contractor under this contract.

Standard Insurance Requirements

Financial Rating of Insurance Companies - All insurance companies must have financial rating of A- or higher by A.M. Best Company, Inc. with the exception of self-insured insurance companies.

Commercial General Liability Insurance - The contractor shall maintain Commercial General Liability Insurance at a limit of liability not less than \$1,000,000 each occurrence and a \$2,000,000 annual aggregate. Due to the nature of the work involved, consultants performing program and/or contract management services are required to maintain \$1,000,000 each occurrence and \$1,000,000 annual aggregate. The coverage shall not contain any endorsement(s) excluding nor limiting product /completed operations, independent contractors, broad form property damage, X-C-U Coverage, contractual liability or cross liability. The self-insured retention or deductible shall not exceed \$50,000.

- Additional Insured Endorsement. The contractor shall endorse all Districts as an “Additional Insured” on the Commercial General Liability Insurance with a “CG 2010 Additional Insured – Owners, Lessees, or Contractors,” or “CG2026 Additional Insured – Owners, Lessees, or Contractors – Scheduled Person or Organization endorsement,” or similar endorsement providing equal or broader “Additional Insured” coverage. In addition, the contractor shall endorse all Districts as an “Additional Insured” under the contractor’s Commercial Umbrella/Excess Liability as required herein. *
- Waiver of Subrogation Endorsement. The contractor shall provide a waiver of subrogation in favor of the District, contractor, subcontractor, architects, or engineers for each required policy providing coverage during the life of this contract. When required by the insurer, or should a policy condition not permit the contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, then the contractor shall notify the insurer and request the policy be endorsed with a waiver of transfer of rights of recovery against others, or an equivalent endorsement. This waiver of subrogation requirement shall not apply to any policy that includes a condition specifically prohibiting such an endorsement, or voids coverage should the contractor enter into such an agreement on a pre-loss basis.

Business Automobile Liability Insurance - The contractor shall maintain Business Automobile Liability Insurance at a limit of liability not less than \$1,000,000 each occurrence. Coverage shall include liability for owned, non-owned, and hired automobiles. In the event the contractor does not own automobiles, the contractor shall maintain coverage for hired and non-owned auto liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

- Additional Insured Endorsement. The contractor shall endorse all Districts as an “Additional Insured” on the Business Automobile Liability Insurance with a “CG 2010 Additional Insured – Owners, Lessees, or Contractors,” or “CG2026 Additional Insured – Owners, Lessees, or Contractors – Scheduled Person or Organization endorsement,” or similar endorsement providing equal or broader “Additional Insured” coverage. In addition, the contractor shall endorse all Districts as an “Additional Insured” under the contractor’s Commercial Umbrella/Excess Liability as required herein. *
- Waiver of Subrogation Endorsement. The contractor shall provide a waiver of subrogation in favor of the District, contractor, subcontractor, architects, or engineers for each required policy providing coverage during the life of this contract. When required by the insurer, or should a policy condition

not permit the contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, then the contractor shall notify the insurer and request the policy be endorsed with a waiver of transfer of rights of recovery against others, or an equivalent endorsement. This waiver of subrogation requirement shall not apply to any policy that includes a condition specifically prohibiting such an endorsement, or voids coverage should the contractor enter into such an agreement on a pre-loss basis.

Worker's Compensation Insurance and Employers Liability Insurance - The contractor, any sub-consultants or subcontractors shall maintain their own Worker's Compensation Insurance and Employers Liability in accordance with Florida Statute Chapter 440. In case any class of employees engaged in hazardous work at the site of the operations is not protected under the Worker's Compensation statute, the Vendor shall provide, and cause each sub consultant or subcontractor to provide adequate insurance for the protection of its employees not otherwise protected. The Vendor must provide a Certificate of Insurance (COI) showing Worker's Compensation coverage or must provide an exemption certificate issued by the State of Florida showing that the Vendor is exempt from Worker's Compensation insurance requirements. (NOTE: Elective exemptions or coverage through an employee leasing arrangement will be on a case-by-case basis).

Umbrella or Excess Liability Insurance (needed for large contracts as determined and approved by the Purchasing Director) - The contractor shall maintain either a Commercial Umbrella or Excess Liability Insurance at a limit of liability not less than **\$2,000,000** each occurrence and **\$2,000,000** aggregate. The contractor shall endorse all Districts as an "Additional Insured" on the Umbrella or Excess Liability Insurance, unless the Commercial Umbrella/Excess Liability Insurance provides coverage on a pure "True Follow- Form" basis, or the District is automatically defined as an additional protected person. Any self- insured retention or deductible shall not exceed \$50,000.

Professional or Errors and Omissions Liability Insurance (when applicable) - The contractor shall maintain a Professional Liability or Errors and Omissions policy at a limit of liability no less than **\$2,000,000**. The contractor shall endorse all Districts as an "Additional Insured" on the Professional and/or Errors and Omissions Liability Insurance.

- Additional Insured Endorsement. The contractor shall endorse all Districts as an "Additional Insured" on the Professional or Errors and Omissions Liability Insurance with a "CG 2010 Additional Insured – Owners, Lessees, or Contractors," or "CG2026 Additional Insured – Owners, Lessees, or Contractors – Scheduled Person or Organization endorsement," or similar endorsement providing equal or broader "Additional Insured" coverage. In addition, the contractor shall endorse all Districts as an "Additional Insured" under the contractor's Commercial Umbrella/Excess Liability as required herein. *
- Waiver of Subrogation Endorsement. The contractor shall provide a waiver of subrogation in favor of the District, contractor, subcontractor, architects, or engineers for each required policy providing coverage during the life of this contract. When required by the insurer, or should a policy condition not permit the contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, then the contractor shall notify the insurer and request the policy be endorsed with a waiver of transfer of rights of recovery against others, or an equivalent endorsement. This waiver of subrogation requirement shall not apply to any policy that includes a condition specifically prohibiting such an endorsement, or voids coverage should the contractor enter into such an agreement on a pre-loss basis.

Professional Liability for IT including Cyber Risk - The contractor shall maintain Professional Liability Insurance for IT Technology including cyber risk policy at a limit of liability no less than \$1,000,000 per claim/loss and \$2,000,000 annual aggregate. The contractor shall endorse all Districts as an "Additional Insured" on the Professional IT Liability Insurance.

- Additional Insured Endorsement. The contractor shall endorse all Districts as an "Additional Insured" on the Professional Liability for IT Insurance with a "CG 2010 Additional Insured – Owners, Lessees, or Contractors," or "CG2026 Additional Insured – Owners, Lessees, or Contractors – Scheduled Person or Organization endorsement," or similar endorsement providing equal or broader "Additional Insured" coverage. In addition, the contractor shall endorse all Districts as an "Additional Insured"

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- under the contractor's Commercial Umbrella/Excess Liability as required herein. *
- Waiver of Subrogation Endorsement. The contractor shall provide a waiver of subrogation in favor of the District, contractor, subcontractor, architects, or engineers for each required policy providing coverage during the life of this contract. When required by the insurer, or should a policy condition not permit the contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, then the contractor shall notify the insurer and request the policy be endorsed with a waiver of transfer of rights of recovery against others, or an equivalent endorsement. This waiver of subrogation requirement shall not apply to any policy that includes a condition specifically prohibiting such an endorsement, or voids coverage should the contractor enter into such an agreement on a pre-loss basis.

***Note:** The individual Districts that shall be endorsed and listed as Additional Insureds on all policies are:

Village Center Community Development District
Sumter Landing Community Development District
Brownwood Community Development District
Village Community Development Districts 1 – 13
North Sumter County Utility Dependent District

All at the following street address:

Attention: Purchasing Department
984 Old Mill Run
The Villages, FL 32162

Indemnification - The contractor shall indemnify, defend and hold harmless all of the Districts, its offices, agents and employees from and against any and all claims, losses or liability, or any portion thereof, including attorney's fees and costs, arising from injury or death to persons, including injuries, sickness, disease or death to contractor's own employees or damage to property occasioned by a negligent act, omission or failure of the contractor.

Builder's Risk Insurance - Required for all projects when a new building is being constructed from the ground up. The contractor, prior to notice to proceed or commencement of work, whichever occurs first, shall obtain Builder's Risk Insurance providing coverage to protect the interests of the Districts, contractor, and subcontractors. Coverage shall be written on an All-Risk, Replacement Cost, and Completed Value Form basis in an amount at least equal to 100% of the projected completed value of the project as well as subsequent modifications of that sum. Flat deductible(s) shall not exceed \$50,000, wind percentage deductible (when applicable) shall not exceed ten-percent (10%), and flood sub limit shall not be less than 25% of the projected completed value of the project. The contractor shall endorse the policy with a manuscript endorsement eliminating the automatic termination of coverage in the event the building is occupied in whole or in part, or put to its intended use, or partially accepted by the District. The manuscript endorsement shall amend the automatic termination clause to only terminate coverage if the policy expires, is cancelled, the District's interest in the building ceases, or the building is accepted or insured by the District. The contractor shall endorse the District's as "Additional Insured", or "Loss Payee", on the Builder's Risk Policy. Builder's Risk Insurance is not required for additions or renovations that will alter and/or add to an existing permanent structure.

Deductibles, Coinsurance Penalties, and Self-Insured Retention - The contractor shall be fully and solely responsible for any costs or expenses as a result of a coverage deductible, coinsurance penalty, or self-insured retention; including any loss not covered because of the operation of such deductible, coinsurance penalty, self-insured retention, or coverage exclusion or limitation. For deductible amounts that exceed the amounts stated herein that are acceptable to the District, the Contractor shall, when requested by the District, maintain a Commercial Surety Bond in an amount equal to said deductible amount.

Right to Revise or Reject - The District reserves the right, but not the obligation, to review and revise any insurance requirement, not limited to limits, coverages and endorsements based on insurance market conditions affecting the availability or affordability of coverage; or changes in the scope of work/specifications affecting the applicability of coverage. Additionally, the District reserves the right, but not the obligation, to review and reject any insurance policies failing to meet the criteria stated herein, or any insurer(s) providing coverage due to its poor financial condition or failure to operate legally. In such events, the District shall provide the contractor written notice of such revisions or rejections.

No Representation of Coverage Adequacy - The coverages, limits or endorsements required herein protect the primary interests of the Districts, and these coverages, limits or endorsements shall in no way be required to be relied upon when assessing the extent or determining appropriate types and limits of coverage to protect the contractor against any loss exposures, whether as a result of the project or otherwise.

Certificate(s) of Insurance - The contractor shall provide the VCCDD Purchasing Department with a COI clearly evidencing that all coverage, limits, and endorsements required herein are maintained and in full force and effect. A minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage shall be identified on each COI. In the event the District is notified that a required insurance coverage will cancel or expire during the period of this contract, the contractor agrees to furnish the District prior to the expiration of such insurance, a new COI evidencing replacement coverage. When notified by the District, the contractor agrees not to continue work pursuant to this contract, unless all required insurance remains in effect. The District shall have the right, but not the obligation, of prohibiting the contractor from entering the project site until a new COI is provided to the District evidencing the replacement coverage. The contractor agrees the District reserves the right to withhold payment to the contractor until evidence of reinstated or replacement coverage is provided to the District. If the contractor fails to maintain the insurance as set forth herein, the contractor agrees the District shall have the right, but not the obligation, to purchase replacement insurance and the contractor agrees to reimburse any premiums or expenses incurred by the District.

The Contractor Agrees the COI shall:

- I. Clearly indicate all the Districts have been endorsed on the Commercial General Liability Insurance with a “CG 2010 Additional Insured – Owners, Lessees, or Contractors,” or “CG 2026 Additional Insured – Owners, Lessees, or Contractors – Scheduled Person or organization endorsement,” or similar endorsement providing equal or greater “Additional Insured” coverage.
- II. Clearly indicate all Districts are endorsed as an “Additional Insured”, or “Loss Payee” on the Builder’s Risk Insurance, and when applicable, “Additional Insured” on the Commercial Umbrella/Excess Liability Insurance as required herein.
- III. Clearly identify each policy’s limits, flat and percentage deductibles, sub limits, or self-insured retentions, which exceed the amounts or percentages set forth herein.
- IV. Clearly indicate a minimum thirty (30) day endeavor to notify requirement in the event of cancellation or non-renewal of coverage.
- V. The original COI should be forwarded and clearly indicate certificate holder and “Additional Insured” as follows:
 - Village Center Community Development District
 - Sumter Landing Community Development District
 - Brownwood Community Development District
 - Village Community Development Districts 1 – 13
 - North Sumter County Utility Dependent District

Mailing address:
Attn: Purchasing Department
984 Old Mill Run
The Villages, FL 32162

NOTICE: On rare occasions, exceptions to the required insurance limits are needed. The Risk Management department may adjust such requirements if deemed necessary. Exceptions are valid only for the applicable project or fiscal year in which they are granted.

TAX EXEMPTION INFORMATION

The Districts are exempt from payment of sales and local use tax. District(s) tax exempt certificate number is to be given to all vendors to avoid payment of state and local use taxes. The tax exempt certificate number is available on the District website (Purchasing webpage) or by contacting the Finance Department. Personal use of the District's tax exempt certificate number is strictly prohibited. In addition to being liable for payment of the tax plus a mandatory penalty of 200 percent of the tax such person shall be liable for fine and punishment as provided by law for a conviction of a felony of the third degree, as provided in Florida Statutes 775.082, 775.083, and 775.084.

DISPOSAL PROCESS

Each owning Department must report its surplus or obsolete property, equipment, or supplies to the Purchasing Director or designee by completing the appropriate SURPLUS PROPERTY FORM/REQUEST TO TRANSFER OR DECLARE SURPLUS FORM. Completed forms must be forwarded to the Purchasing Director or designee prior to or at the time of property drop-off for review. Department must forward a copy of such form(s) to the Finance Department (Senior Accountant- Fixed Assets).

The Purchasing Director, in conjunction with the End Using Department, shall make the determination for method of disposal using one of the following acceptable forms of disposition:

- I. Transfer to another department
- II. Trade in on new equipment
- III. Offer to the Villages Charter Schools
- IV. Offer to other governmental agencies
- V. Cannibalize for parts
- VI. Sell to public by publicly noticed auction or sealed bid (value of \$5,000 or more)
- VII. Sell as scrap
- VIII. Donate to a local non-profit organization
- IX. Destroy or abandon

The District Manager approval(s) noted above shall allow staff to dispose of property in one of the above listed methods. The Finance Department shall report all dispositions to the applicable Board(s) on an annual basis prior to fiscal year end.

Notification and delivery of surplus item(s) to the designated area is the responsibility of each Department. The owning Department is responsible to ensure the inspection of the item(s) to verify serviceability, condition and original item cost and expenditure account. Once an item has been declared surplus it cannot be traded in, transferred, sold, cannibalized, or placed back into service without the approval of the Purchasing Director/designee and End Using Department.

The Finance Department shall maintain current listings of all surplus property. All Department Directors will be responsible for review of each listing as issued by the Finance Department. The District Manager shall review and approve each listing prior to disposition of surplus item(s).

Surplus and Obsolete Property

Per Florida Statute 274.05 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 per Florida Statute 274.06.

APPENDIX

Glossary of Terms Used in Purchasing Manual

AGREEMENT - A mutually binding legal relationship obligating the Seller to furnish the goods and/or services (including construction) and the purchasing entity to pay for them. It includes all types of commitments that obligate the District to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, agreements may include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter agreements; purchase orders, under which the agreement becomes effective by written acceptance or performance; and bilateral contract modifications.

AGREEMENT CHANGE ORDER - A change in the scope of services, an error correction and/or a monetary change to an approved agreement.

CONTRACTOR - A person who contracts to sell goods or contractual services to the District.

CONSORTIUM – An association of 2 or more individuals, companies, organizations or governments with the objective of participating in a common activity or pooling their resources for achieving a common goal.

EMERGENCY PURCHASES – Procurement of goods or services arising out of an accident or other unforeseen occurrence or condition whereby circumstances affecting public buildings, public property or the life, health, safety or property of inhabitants of a political subdivision are involved. In the event of a declared emergency by the District, purchasing procedures are waived as specified in these policies and procedures.

FORMAL SOLICITATIONS – Solicitations for Invitation to Bid (ITB), Request for Proposal (RFP), Request for Qualifications (RFQ), or Request for Information (RFI). Formal solicitations are posted for projects over \$49,999.99; additional projects may be posted at the discretion of the Purchasing Director and/or District Manager.

INTENT – a brief description of the key, functional characteristics including minimum requirements of a supply, service, or construction project.

INVITATION TO BID (ITB) - A written solicitation for competitive sealed bids with the title, date, and hour of the public bid opening designated and specifically defining the good, group of goods, or services for which bids are sought. It includes instructions prescribing all conditions for bidding and shall be distributed to all prospective bidders simultaneously. The invitation to bid is used when the agency is capable of specifically defining the scope of work for which a contractual service is required or when the agency is capable of establishing precise specifications defining the actual good or group of goods required.

PROPOSAL - A written notice by a vendor setting forth the terms under which a vendor will furnish goods or services.

PURCHASE ORDER - An approved requisition to purchase one or more goods or services necessary to carry out operational functions of the Requesting Department.

PURCHASE ORDER CHANGE ORDER - A monetary increase or line item change to an original purchase order or other contract conditions is reported on a Change Order Request Form.

REQUEST FOR INFORMATION (RFI) - An RFI, while not a procurement category, is an important tool used to increase knowledge about goods or services and their availability and capability. RFI is a formal method of gathering information about a good or service. It should be used when the requestor for the good or service is not knowledgeable regarding the current “state-of-the-art” in the area under consideration.

REQUEST FOR PROPOSALS (RFP) - A written solicitation for competitive sealed proposals with the title, date, and hour of the public opening designated. The Request for Proposals is used when the agency is incapable of specifically defining the scope of work for which the good, group of goods, or contractual service is required and when the agency is requesting that a qualified vendor propose a good, group of goods, or contractual service to meet the specifications of the solicitation document. It includes, but is not limited to, general information, applicable laws and rules, functional or general specifications, statement of work, proposal instructions, licensure, and evaluation criteria. Requests for Proposals shall state the relative importance of price and any other evaluation criteria such as licensure.

REQUEST FOR QUALIFICATIONS (RFQ) - This procurement approach differs from the traditional Request for Proposal approach and places greater emphasis on the actual qualifications and licensure of the potential contractor, his or her track record, rather than how well the potential contractor responds to detailed project specifications and requirements.

REQUESTING DEPARTMENT - The Department originating the purchase request.

REQUISITION - A request to purchase one or more goods or services necessary to carry out operational functions for the Requesting Department. An approved requisition becomes a purchase order.

RESPONSIBLE/RESPONSIVE BIDDER - A person who has the capability in all respects to perform fully the contract requirements and has the integrity and reliability that will assure good faith performance. A person who has submitted a bid or proposal that conforms in all material respects and who possesses all applicable licensing requirements of the formal solicitation.

SOLE SOURCE - Shall mean the only source of good or service relative to kind and availability.

SPECIFICATIONS - A written description of needed goods or services setting forth in a clear and concise manner the characteristics of the goods and/or services to be purchased and the circumstances under which the purchase will be made.

VENDOR - A supplier of goods or services.

EXHIBITS

Samples of Forms Referenced in Purchasing Manual

*Purchasing Forms can be found in the G-Drive

DISPOSAL PROCESS

- Surplus Property / Request to Transfer or Declare Surplus Form

FORMAL SOLICITATION

- Formal Solicitation Request Form

SOLE SOURCE & SINGLE SOURCE STANDARDIZATION JUSTIFICATION

- Sole Source / Single Source Standardization Request Form

Sample
Page 1 of 3

Solicitation Request Form

(For projects \$50,000 and over)



Print Form

Only typed copies will be accepted. All drop-down boxes must be completed

Date: Project Name:

Requested By: Requesting Department: District(s):

Anticipated Start Date: Timeline for Completion: (calendar days) Committee(s):

PO/Contract: Term Length: (years) Renewal Options: (years) Payment Terms:

Comments:

Budget Impact

Amount Budgeted: Capital Budget: Specialty Fund:

Account Code: Account Code: Account Code:

Construction Costs: (if applicable) Engineering Costs: (if applicable) FF&E Costs: (if applicable)

Contingency Costs: (if applicable and not to exceed 10%) Total Project Cost: (if applicable)

Comments:

Supplemental Suppliers

(These suppliers will receive an email notification from Demand51 on the day the solicitation is issued)

	Company Name	E-mail Address		Company Name	E-mail Address
1	<input type="text"/>	<input type="text"/>	6	<input type="text"/>	<input type="text"/>
2	<input type="text"/>	<input type="text"/>	7	<input type="text"/>	<input type="text"/>
3	<input type="text"/>	<input type="text"/>	8	<input type="text"/>	<input type="text"/>
4	<input type="text"/>	<input type="text"/>	9	<input type="text"/>	<input type="text"/>
5	<input type="text"/>	<input type="text"/>	10	<input type="text"/>	<input type="text"/>

RFP / RFQ / RFI Only

For the RFP/RFQ/RFI process, evaluation criteria and suggested Selection/Review Committee members must be submitted. Please refer to Purchasing Policies and Procedures Manual for membership criteria. Contact the Purchasing Department for assistance with any of these requirements.

Member #1 Member #2 Member #3

Members #4 and #5 to be chosen by the Purchasing Department

Member #4 Member #5

Sample
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**REQUIRED INFORMATIONAL DOCUMENTS
- MUST BE SUBMITTED FOR APPROVALS -**

Hard copies of all applicable documents listed below for incorporation into the BID/RFP/RFQ/RFI must be attached.

- *Scope of Work *Specifications *Bid Form(s)
 Plans/Pictures/Diagrams (if applicable) Approved Solo Source/Single Source Standardization Form (if applicable)

**WORD/EXCEL Documents must be emailed to the Purchasing Director.*

Brief Description of the Intent of the Project (3-4 sentence summary of the key project details):

Supplier Minimum Requirements:
(Respondents without these qualifications will be rejected)

Supplier Required Licenses/Certifications:
(Respondents without these qualifications will be rejected)

MDT Required:

Utilizing an MA Form:

CBS Reprographics Access Needed for Plans:

Solicitation involves a specific product/service:
(include agreement number if applicable)

Pre-Bid Conference:

Type of Pre-Bid:

MANDATORY Pre-Bid
**Only those vendors who are present will be permitted to submit a bid/proposal in response to this solicitation*

	On-Site Location(s)	Address	Names & Emails of District Staff/Consultants Required to Participate
1			
2			
3			

Special instructions for this site visit (such as restricted access, safety concerns, equipment needs, etc.)

Comments:

Sample
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Sole Source Single Source Standardization Request and Justification Form



Print Form

Date: Source Type: District:
Requested By: Requesting Department:
Commodity / Service:

A Sole Source purchase is defined as a non-competitive purchase of supplies, equipment and contractual services that is either: the only item that will produce the desired result; or is available from only one source of supply who possesses the unique and singularly available capability to meet the requirement of the solicitation (such as technical qualifications, ability to deliver at a particular time, or services from a public utility). A Single Source Standardization purchase is when there is functional or performance requirements and there is only one economically feasible product for that purchase; however, there may be multiple sources to purchase from. Per State Statute, all Sole Source requests must be publicly posted for seven (7) business days.

VENDOR/MANUFACTURER INFORMATION

Company Name: Company Address:
Contact Name: Phone #: Email:

JUSTIFICATION

1. Describe all products and/or services to be procured under this exemption:

2. Briefly explain why it is in the best interest of the District to exempt this procurement from competition:

3. What steps were taken to verify that these features are not available elsewhere?

Other brands/manufacturers were examined (please list name and phone numbers, and explain why they are not suitable for use by the District - attach additional pages as necessary, do not leave blank):

Other vendors were contacted (please list names and phone numbers, and explain why those contacted would not meet the needs of the District - attach additional pages as necessary, do not leave blank):

SAMPLE
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4. Attach documentation from the manufacturer certifying the vendor selected is the only distributor/dealer/contractor for the products or services in question and/or holds the production, unique capability, copyrights, trademark, and/or patent to the item, and check the following applicable statements:

- Patent, copyright or unique design restrictions (Sole Source) *Attach verification from Manufacturer*
- Proprietary rights in technical data and/or product formulations (e.g. cleaning compounds, lubricating oils, paint, etc.), which can only be determined through extensive laboratory analysis and examination (Sole Source) *Attach verification from Manufacturer*
- Only producer, such as utility supplier or construction material supplier, that will meet the specialized needs of the department or perform the intended function (Sole Source) *Attach verification from Manufacturer*
- Direct replacement parts, equipment or supplies that must be compatible with original equipment already installed but available only from the original equipment manufacturer. Most manufacturers have more than one dealer or distributor for their products. When this is the case, competition between dealers and/or distributors may be possible, eliminating the "sole or single source" restriction (Single Source) *Attach verification from Manufacturer*
- When tests and/or demonstrations of equipment, supplies, part, etc. under actual operating conditions reveal superior quality, performance, design or other characteristics in a product(s), which is available from only one source. Testing must be performed as often as practical (Single Source) *Attach verification from Manufacturer*
- Maintenance, repair services or warranty which require specialized test equipment, procedures, and technical expertise available only from the original equipment manufacturer or authorized/ licensed dealer/ field service representative (Single Source) *Attach verification from Manufacturer*
- The part(s)/equipment are required to permit standardization (Standardization) *Must provide justification. For brand-specific items, quotes should still be obtained*
- Other: None or some of the above apply. *Detailed explanation and justification for this sole source/single source standardization request must be attached to this form*

Requested By: Date:

Approvals:

- 1.
Department Director Date:
- 2.
Purchasing Director Date:
- 3.
District Manager Date:

**Rejected
Incomplete**

Additional Information Needed
(see comments below)

Date Rejected:

Date Rejected:

Date Rejected:

Comments: _____

Board Approved: Yes No Date: