

**City of Port St. Lucie
Port St. Lucie, Florida**

PURCHASING POLICY AND PROCEDURE MANUAL



"A City for All Ages"

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SECTION I

INTRODUCTION

1.01 PURPOSE

The purpose of this manual is to provide all departments with the procedures and policies to be used in the procurement of goods and services and to provide for the fair and equitable treatment of all persons involved in public purchasing by the City of Port St. Lucie; to maximize the purchasing value of public funds; and to provide safeguards for maintaining a procurement system of quality and integrity.

We recommend a loose-leaf binder so that procedural modifications may be inserted as required. These modifications will be provided in writing from the Office of Management and Budget. All new and revised pages will be numbered to properly conform to the remainder of the manual and will bear the effective date of the revision. Revisions and additions are to be incorporated into the manual upon receipt and the superseded pages removed and destroyed. This manual is also available on the City's of Port Saint Lucie web site www.cityofpsl.com.

1.02 GENERAL STATEMENT

It is the goal of the City of Port St. Lucie to develop a comprehensive purchasing system. This system should provide greater cost-effectiveness and public accountability in the procurement process.

1.03 SCOPE

The policies and procedures outlined in this manual shall apply to all departments involved with any procurement of goods and services for the City of Port St. Lucie.

1.04 GENERAL POLICIES

- A. All elected and appointed officials of the City who participate in the negotiation and approval of purchases and contracts are personally responsible for becoming familiar with and abiding by all applicable Florida State Statutes, City policies and procedures, and Code of Ordinances governing such activities. The City has adopted the American Bar Association 2000 Model procurement Code for State and Local Governments and the Uniform Commercial Code.
- B. The City's goal is to receive maximum value for the public dollar and to purchase in the best interest of the City. The City Council reserves unto itself the final approval of all purchases in excess of \$25,000.00 or more.
- C. As per the authority as set in Section 35.01 of the City Ordinance, the City Manager has designated the Director of Office of Management and Budget as the authorized purchasing agent for the city. It is his responsibility to give leadership in all purchasing and contracting activities to the City. The City Manager shall sign contracts relative to the expenditure of funds. The Mayor shall sign contracts relative to Inter-local Agreements and any other agreements where there is no expenditure of funds.
- D. The Director of the Office of Management and Budget may designate others in the Office of Management and Budget to serve as purchasing agents under the Director's supervision. It

is the Director's responsibility to issue regulations and procedures and delegate purchasing responsibilities.

- E. Awards shall be made to the bid(s) that provides the best value to the City, taking into consideration the vendor's skill, business judgment, experience, facilities to carry out the contract and previous work and pecuniary ability. The City reserves the right to waive irregularities, reject and/or accept any and all bids, in whole or in part, or take such other action as serves the best interests of the City.
- F. Acceptance of gifts, other than items of nominal value such as advertising novelties, is prohibited. Officials and employees shall not become obligated to any vendor and must not conclude any City transaction from which they may personally benefit.
- G. All qualified bidders shall be afforded equal opportunities to quote and will compete on equal terms.
- H. The City shall strive to maintain strong and enduring relationships with vendors of proven ability and with those who have a desire to meet the needs of the City. To accomplish this, purchasing activities shall be conducted so the vendors will value the City's business and will make every effort to furnish its requirements on the basis of quality, service and price.
- I. Individuals engaged in purchasing shall promote constructive competition by constantly seeking new bidders, obtaining several bids on almost everything purchased and developing more than one active source of supply for various products and services.
- J. It is City policy to effect maximum feasible standardization of products used within and among departments in order to minimize stock levels and obtain better prices through large volume purchases.
- K. It is the intent of the City to buy only from suppliers who have adequate financial strength, high ethical standards and a record of adhering to specifications, maintaining shipping promises and giving maximum service. New sources of supply will be given due consideration, as multiple sources of supply are necessary to ensure availability of materials.

1.05 DEFINITIONS

Acceptable Quality Level – The allowable deviation from a defined standard of performance that can occur before the City will reject the specific service.

Acceptance – The assumption of a legal obligation by a party to a contract and the terms and conditions of that contract.

Accounts Payable Slip (APS) – A purchaser's written document used by departments to pay for materials or services without going through the normal purchase order requirements. Primarily used for utilities and other purchases authorized by the Office of Management and Budget. The dollar threshold for small purchases is \$100.00. See Exhibit 1

Acknowledgement – A form used by a vendor to advise a purchaser that an order has been received, and usually implies acceptance.

Addendum – An addition or supplement to a document, for example, items or information added to a procurement document. Used to issue additional or correct information during the bid process.

Advertising – A form of public notice of an intended purchase. See “Public Notice”.

Agreement – A duly executed and legally binding contract.

Alternate Bid – A bid submitted in knowing variance from the specifications, terms, condition, or provisions of the solicitation. The City reserves the right to determine acceptance of proposed equivalent or equal items.

Amendment – A revision or change to a document, often used to correct a contract or to add additional scope of work to change an existing contract.

Appropriation – A legislative authorization to expend public funds for a specific purpose. Money set apart for specific use.

As Is – Term indicating that goods offered for sale are without warranty or guarantee and that the purchaser takes the goods at his own risk without recourse against the seller for the condition or performance of the goods.

Assignment – The legal transfer of a claim, right, interest, or property.

Assignee – The grantee, or recipient, of an assignment.

Assignor – A person who makes an assignment.

Award – Council’s approval of a bid or a proposal.

Best and Final Offer – The rationale granting a purchasing official discretion in taking action to allow all qualified bidders participating in a competitive bid process to provide a sealed best and final offer.

Best Interest of the City – The rationale granting a purchasing official discretion in taking action most advantageous to the City when it is impossible to interpret adequately a specific response by law or regulation.

Best Value – A method of award that uses a cost/benefit analysis to define the best combinations of quality, services, time, and cost considerations over the useful life of the acquired item.

Bid – A competitive price offer made by an intended seller, normally by written notice, offered as a result of a formal invitation to prospective vendors.

Bid Acceptance – The unconditional receipt of the bid at the designated bid location within the time frame and conditions set in the bid document. Any alterations to the bidder’s offer after the close of the bid or any deviations from the conditions set in the bid document may result in the rejection and removal of the bid.

Bid Bond – An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event that a selected bidder fails to accept the contract as bid.

Bid Deposit – Certified check, cashier’s check, bank money order, bank draft of any national or state bank, surety bond or cash deposited with and as instructed by the prospective purchaser to guarantee the bidder will, if selected, accept the contract in accordance with the bid. If the bidder does not accept the contract, he forfeits the amount of deposit.

Bid Evaluation – The approach for selection of the bid award, which shall be based on the requirements set forth in the bid documents. The evaluation may include criteria to determine acceptability such as inspections, testing, quality, workmanship, delivery and suitability for a particular purpose and to existing systems and equipment. It may also be based on total and life cycle costs as well as freight, set-up, or installation charges.

Bid Opening – The process of opening and reading bids conducted at the time and place specified in the Invitation to Bid, and/or advertisement, and in the presence of all who wish to attend.

Bid Sample – A sample required of a bidder for examination, comparison, testing, and evaluation by the perspective purchaser.

Bidder – Any person submitting a competitive bid in response to a solicitation.

Bidders List – A vendors list maintained by a data management provider setting out the names and addresses of suppliers from whom bids, proposals and quotations can be solicited.

Blanket Order – A type of purchase order under which a purchaser contracts with a vendor to provide the purchaser's requirements for an item(s) or service on an as-required and over-the-counter basis. Properly prepared, such an arrangement sets a limit on the period of time it is valid and the maximum amount of money that can be spent at one time or within a specified period of time.

Boilerplate – Colloquial designation for standard terms and conditions, usually preprinted, incorporated in all Invitation for Bids, Request for Proposals or a contract or purchase order.

Brand Name – A product name that serves to identify a product of a particular manufacturer, a trade name.

Brand Name Specification – A specification that cites the brand name, model number or some other designation that identifies a specific product to be offered exclusive of others.

Brand Name or Equal Specification – A specification that cites brand names, model numbers, or other identifications as representing quality and performance called for, and inviting bids on comparable items or products of any manufacturer.

Breach of Contract – A failure without legal excuse, to perform any promise that forms a whole or part of a contract.

Breach of Warranty – An infraction of an expressed or implied agreement as to the title, quality, content, or condition of a product sold.

Bulk Purchasing – Purchasing in large quantities to seek a lower price per unit i.e. volume purchasing.

Buyer – A purchaser who buys goods or services from a vendor in a transaction.

Calendar Day – Every day shown on the calendar, Saturdays, Sundays, and holidays included.

Cash Discount – A discount from a bill if payment is made within a designated period.

Caveat Emptor – “Let the buyer beware.” A maxim stating the buyer should be careful in making a purchase because the burden of defective goods rests with him. In contracts, the seller can be held responsible for certain defects by means of suitable specifications, warranties and contractual terms and conditions.

Centralization of Purchasing – A system of purchasing in which authority, responsibility, and control of activities is concentrated in one administrative unit. (See Decentralized Purchasing)

Certificate of Non-collusion – A statement signed by a bidder and submitted with his bid affirming that his bid is made freely, independently and without consultation with any other bidder.

Change Order – A written order that affects a change to the original contract or purchase order related to increase or decrease in quantities or additional materials.

Code of Ethics – The rules or standards governing the conduct of the members of a profession. (See Exhibit 6)

Collusion – A secret agreement or cooperation between two or more persons to accomplish a fraudulent, deceitful or unlawful purpose.

Collusive Bidding – The response to bid invitations by two or more vendors who have secretly agreed to circumvent laws and rules regarding independent and competitive bidding.

Commodity – An article of trade, a movable article of value, something that is bought or sold; any movable or tangible thing that is produced or used as the subject of barter or sale.

Commodity Code – A system of words and numbers designed to identify and list commodities or services by classes and sub-classes.

Compensation - means the amount paid by the agency for goods or services regardless of whether stated as compensation or stated as hourly rates, overhead rates, or other figures or formulas from which compensation can be calculated.

Competition – The process by which two or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and /or service.

Competitive Bidding – The submission of prices by individuals or firms competing for a contract, privilege, or right to supply merchandise or services.

Competitive Sealed Bids or Competitive Sealed Quotes - means the process of receiving two or more sealed bids, proposals, or replies submitted by responsive vendors and includes bids, proposals, or replies transmitted by electronic means in lieu of or in addition to written bids, proposals, or replies.

Competitive Sealed Proposal – A method for acquiring goods, services, and construction for public use in which discussions or negotiations may be conducted with responsible bidders who submit proposals and prices in the competition that meet the required criteria. Competitive sealed proposal is the preferred method of source selection in the City.

Competitive Solicitation or solicitation - means an invitation to bid, a request for proposals, or an invitation to negotiate.

Conflict of Interest – A situation where the personal interests of a contractor, public official or classified employee are, or appear to be, at odds with the best interests of the jurisdiction. (See Exhibit 7)

Consideration – Acts, promises, or things of value exchanged by two parties that validates a contract between them.

Construction services - means all labor, services, and materials provided in connection with the construction, alteration, repair, demolition, reconstruction, or any other improvements to real property.

Consultants Competitive Negotiation Act – A procedure established by Florida Statutes setting the requirements for acquisition of professional architectural, engineering, landscaping architectural or land-surveying services.

Consultants Continuing Contract - is a contract for professional services entered into in accordance with all the procedures of the CCNA whereby the firm provides professional services for projects in which construction costs do not exceed \$1 million, for study activity when the fee for such professional service does not exceed \$50,000, or for work of a specified nature as outlined in the contract, with no time limitation except that the contract must provide a termination clause. Firms providing professional services under continuing contracts shall not be required to bid against one another.

Continuing Contract - is a contract for services or materials entered into in accordance with all the City's bid procedures whereby the firm provides goods & services for projects or work of a specified nature as outlined in the bid and contract. The contract must provide a termination clause.

Contract – Contractual instrument, including, but not limited to contracts, leases, interlocal agreements, grants, sales agreements, service agreements, joint participation agreements, maintenance agreements, attachments, change orders, addendum, bonds, fee schedules, and any other related documents for incorporation into the contractual agreement.

Contract Administration – The management of all actions that must be taken to assure compliance with the terms of the contract after the award of the contract.

Contract Execution – The act of overseeing the signing of a legally binding document that shall include signatures of the Contractor, City Manager or Mayor, City Attorney and City Clerk with appropriate notaries and seals. The City Clerk's office shall be responsible for the proper execution of formal contracts to include distribution of signed contracts and maintenance of the official record.

Contract Sign-Off Sheet – A review sheet, which must be signed by the originating Department Head, Finance Director, Risk Management and the City Attorney. The amount of the contract, the contract number, contractor's name, and contract period shall be listed. All contracts shall be processed through the Office of Management & Budget (OMB). (See Exhibit 9)

Contractor - means a person who contracts to sell commodities or contractual services.

Contractual service - means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but are not limited to, evaluations; consultations; maintenance; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports on the findings of consultants engaged thereunder; and professional, technical, and social services. .

Contractual Services Contract – Basic services provided to the City under contract or Purchase Order in which charges, effective periods, and extent of work are defined. Examples of contractual services are janitorial services, maintenance services, mechanical services and construction services.

Davis-Bacon Act (1931) – A Federal law requiring all contractors performing Federally funded Public Works construction projects to pay their workers, at a minimum, the prevailing wage rate paid in the area for similar work, as set by the Secretary of Labor.

Debarment – The exclusion of a person or company from participating in a procurement activity for an extended period of time, as specified by law, because of previous illegal or irresponsible action.

Decentralized Purchasing – A system of purchasing in which there is a (varying) degree of delegation of authority, responsibility, and control of purchasing activities to the using agencies.

Delivery Schedule – A required or agreed upon time, or rate, for delivery of goods or services.

Design-build Firm - means a partnership, corporation, or other legal entity that:

1. Is certified under Florida Statue 489.119 to engage in contracting through a certified or registered general contractor or a certified or registered building contractor as the qualifying agent;
- or**
2. Is certified under FS 471.023 to practice or to offer to practice engineering; certified under FS 481.219 to practice or to offer to practice architecture; or certified under FS 481.319 to practice or to offer to practice landscape architecture.

Design-build Contract - means a single contract with a design-build firm for the design and construction of a public construction project.

Design Criteria Package - means concise, performance-oriented drawings or specifications of the public construction project. The purpose of the design criteria package is to furnish sufficient information to permit design-build firms to prepare a bid or a response to the City's request for proposal, or to permit the City to enter into a negotiated design-build contract. The design criteria package must specify performance-based criteria for the construction project, including the legal description of the site, survey information concerning the site, interior space requirements, material quality standards, schematic layouts and conceptual design criteria of the project, cost or budget estimates, design and construction schedules, site development requirements, provisions for utilities, stormwater retention and disposal, and parking requirements applicable to the project.

Design Criteria Professional - means a firm who holds a current certificate of registration under chapter 481 to practice architecture or landscape architecture or a firm who holds a current certificate as a registered engineer under chapter 471 to practice engineering and who is employed by or under contract to the agency for the providing of professional architect services, landscape architect services, or engineering services in connection with the preparation of the design criteria package.

Discount – Vendor's deduction from the selling price, usually contingent upon some cost reducing condition such as prompt payment.

Disposal – The act of surrendering ownership of excess or surplus property.

Dispute – Disagreement between parties to a contract over performance or other contract term requiring administrative action to resolve.

Electronic Posting or Electronically Posted - means the posting of solicitations, City decisions or intended decisions, or other matters relating to procurement on a centralized Internet website designated by the City for this purpose.

Electronic Record - means a record created, generated, sent, communicated, received, or stored by electronic means. (a) An electronic record or electronic signature is attributable to a person if the record or signature was the act of the person.

Electronic Signature - An electronic sound, symbol, or process, attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. Digital signatures are often used to implement electronic signatures, a broader term that refers to any electronic data that carries the intent of a signature.

Emergency Purchase – A purchase made without following the normal purchasing procedures in order to obtain goods or services quickly to meet an urgent and unexpected requirement where health and public safety or the conservation of public resources is at risk. The City Manager shall have the authority to make emergency purchases of not more than the current formal bid threshold without competitive bids, provided that all such purchases shall be reported to the City Council at its next regularly scheduled meeting.

Equal, or Equivalent – A phrase used to indicate the acceptability of a product of similar or superior function, purpose, design, and/or performance. (See Brand Name)

Evaluation Criteria – Factors, usually weighted, relating to management capability, technical capability, manner of meeting performance requirements, price and other important considerations used to evaluate which proposer in a competitive negotiation has made the most advantageous offer.

Exceptional Purchase - means any purchase of commodities or contractual services excepted by city ordinance or policy rule from the requirements for competitive solicitation, including, but not limited to, purchases from a single source; purchases upon receipt of less than two responsive bids, proposals, or replies; purchases made by the City, after receiving approval from OMB made without advertisement.

Expedite – Effort to assure delivery of goods purchased in accordance with a time schedule, or to accelerate delivery.

Extension - means an increase in the time allowed for the contract period due to circumstances which, without fault of either party, make performance impracticable or impossible, or which prevent a new contract from being executed, with or without a proportional increase in the total dollar amount, with any increase to be based on the method and rate previously established in the contract. A contract may not be extended past the original term of the proposed contract for new or additional scopes of work that were not advertised in the original solicitation.

Fiscal Year – A period of twelve consecutive months selected as a basis for annual financial reporting, planning or budgeting. The fiscal year for the City of Port St. Lucie is October 1st through September 30th.

Fixed Asset – An asset of a long-term character having a useful life of more than one year and a value of at least \$750.00, stands alone and functions by itself.

Fixed Price Contract – A contract that provides for a firm price, subject to any contractual conditions allowing price adjustment, under which the contractor bears the full responsibility for profit or loss.

Formal Advertising – The placement of a notice in a newspaper of general circulation according to legal requirements to inform the public that the City is requesting bids on a specific purchase it intends to make.

Free on Board (F.O.B.) – Determines the point at which title for the shipment passes from vendor to purchaser.

F.O.B. Destination – The title changes from vendor to purchaser when the shipment reaches its destination.

Functional Specifications – A type or manner of writing a purchase description characterized by what results are required rather than a generic description of the product or service.

Guarantee – An assurance for the fulfillment of a condition, quality of, or the length of use to be expected from a product offered for sale.

GMP (Guaranteed Maximum Price) – The maximum to be paid for services and materials regardless of cost to contractor.

GSA (General Service Administration) - Pursuant to Section 211 of the e-Gov Act of 2002, Cooperative Purchasing provides authorized State and local government entities access to information technology items offered through GSA's Schedule 70 (IT) and the Consolidated Products and Services Schedule contracts for associated special item numbers 1120 program (Law enforcement & drug).

Hold Harmless Clause – Contractual clause requiring the contractor to assume sole liability in any actions brought against the contract and absolving the jurisdiction from any responsibility.

Indefinite Quantity Contract – Contract covering a specified period of time, usually one year, with orders to be placed on an “as needed” basis.

Identical Bid – A bid that is the same in all salient respects with another bid. Identical Tie Bids, in accordance with Section 287.087, Florida Statutes; preference shall be given to businesses with drug-free workplace programs. Whenever two or more bids which are equal with respect to price, quality, and service, are received by the City for the procurement of commodities or contractual services, the bid received from a business that certifies that it has implemented a drug-free workplace program, shall be given preference in the award process.

Informal Bid – A competitive bid or price quotation for supplies or services that is conveyed by letter, telephone, or other means and does not require a sealed bid, public opening, or public reading of bids.

Inventory – Goods in stock or an itemized list of the goods on hand at a particular time showing quantity, volume and values.

Indemnify – To protect against hurt or loss, to exempt from incurred penalties or liabilities. To compensate or pay for damage.

Invitation for Bids (Sealed Bid) - means a formal written solicitation to prospective vendors soliciting for competitive sealed bids. It contains, or incorporates by reference, the specifications or scope of work and all contractual terms and conditions. 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 commodity or group of commodities required. A written solicitation includes a solicitation that is electronically posted.

Invitation to Negotiate - means a written solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or contractual services. The invitation to negotiate is used when the City determines that negotiations may be necessary to receive the best value. A written solicitation includes a solicitation that is electronically posted.

Invoice – Seller’s itemized bill stating prices and quantities of goods and/or services delivered, and sent to Accounts Payable for payment.

Late Bid or Offer – A bid or offer received at the place specified in the solicitation after the time designated for all bids or proposals to be received.

Lead Time – The period of time from date of ordering to date of delivery. This includes the time required for the vendor to manufacture or prepare the goods for shipment, and may include the time needed by the procurement function to process the purchase request, issue a solicitation, evaluate bids and award a contract.

Lease – A contract conveying from one person to another real estate or property for a term in return for a specified rent or other compensation.

Lease-Purchase Agreement – A lease contract containing a purchase option in which the lessee's periodic payments or parts thereof may be applied to serve both as the rental obligation and as installments for acquiring ownership of the property upon lessee exercising the purchase option; a conditional sales contract.

Legal Notice – Notice of a proposed purchase as required by law.

Life Cycle Costing – A procurement evaluation technique that takes into account operating, maintenance, money costs, other costs of ownership and usage and resale or residual value in addition to acquisition price in determining the award of contracts on the basis of lowest total cost over the period the item will be used.

Line Item – A procurement item specified in an Invitation for Bid for which the bidder is asked to tender an individual price and which, under the terms of the invitation, is usually susceptible to a separate contract award.

Liquidated Damages – An amount of money, designated in the solicitation and as part of a contract, to be calculated on a per diem or other basis and paid upon default of a contract.

Lump Sum – The total price of a group of items that are put together and priced as a whole, aggregate. A price not based on unit cost or quantities.

Master Contracts – Long term contracts for services that the competitive proposal identified the anticipated projects within that period.

Material Safety Data Sheets (MSDS) – Documentation concerning a hazardous chemical. They identify the chemical, the common names of the ingredients, the physical and chemical characteristics, and the hazards of the chemical. They also include emergency and first aid procedures to be considered when working with that chemical.

Multiple Award – The award of contracts to two or more vendors or contractors to furnish the same or similar supplies or services, where more than one vendor is needed to meet the contract requirements for quality, delivery, or service.

Multi-step Bidding – A source selection method involving at least two competitive steps, combining the elements of both competitive sealed bids and competitive sealed proposals. The first step requires the submission of (unpriced) technical proposals. In the second step, bidders with acceptable technical proposals are asked to submit sealed bid prices.

Negotiate - or any form of that word means to conduct legitimate, arms length discussions and conferences to reach an agreement on a term or price. Negotiation provides contracting through the use of proposals and discussions to obtain best and final offers that result in the best value to the City.

Net Price – Price after all discounts, rebates, etc., have been allowed.

No Bid – A response to an Invitation for Bid stating that the respondent does not wish to submit a bid.

Non-responsive Bid – A bid that does not conform to the mandatory or essential requirements of the Invitation for Bid.

Notice of Award – A written notification from the jurisdiction to the successful bidder, stating that there is an award of a contract in accordance with a bid or proposal previously submitted. Electronic notice by fax or internet is considered written notification.

Option to Renew – A contract clause that allows a party to reinstate the contract for an additional term, in accordance with contract terms.

Order (Purchase) – A request or command issued to a supplier for goods or services at a specified price or agreed basis for payment.

Partial Payments – The payment authorized in a contract upon delivery of one or more complete units called for under the contract, or upon completion of one or more distinct items of service called for thereunder.

Payment Bond – A bond which assures payments, as required by law, to all persons supplying labor or material for the completion of work under the contract. Also called labor and materials bond.

Payment Request - means a request for payment for goods or services that conforms to all contract and bid requirements specified by the City.

Payment Estimate - means an estimate for payment for goods or services that conforms to all contract and bid requirements specified by the City. (Used only with P-card transactions)

Performance Bond – A contract of guaranty executed subsequent to award by a successful bidder to protect the City from loss due to contractor's inability to complete the contract as agreed.

Performance Record – A record to indicate a supplier's ability to keep delivery promises and reliability, together with consistency of quality of the products.

Performance Specification – A specification describing the performance characteristics sought in a product or service, a purchase description accenting performance over design, a functional rather than a generic or physical specification.

Piggyback Method – A form of intergovernmental cooperative purchasing in which an entity requests competitive sealed bids, enters into a contract, and arranges, as part of the contract, for other public purchasing units to purchase from the selected vendor under the same terms and conditions as itself.

Pre-Bid Conference – A meeting that is scheduled in a solicitation for the purpose of providing clarification as needed. Substantive questions raised at a pre-bid conference are answered in writing and may modify the solicitation.

Pre-Qualification of Bidders – The screening of potential vendors in which such factors as financial capability, reputation, and management are considered in order to develop a list of qualified vendors.

Pre-Solicitation Conference – An informal meeting inviting comments and suggestions from selected vendors on the draft of a proposed solicitation. Used for technical and complex service transactions.

Price – The amount of money that will purchase a definite quantity, weight, or other measure of a commodity or service.

Price Adjustment Clause – A condition in a solicitation and resultant contract that allows the price under the contract to decrease or increase under defined conditions; the condition should provide for the purchaser to cancel any individual item affected, or the contract, if a request for increase is not acceptable.

Privatization – The divestiture of a government program including control and management as well as real and personal property to private entrepreneurs.

Procurement – The procedures for obtaining goods or services, including all activities from the planning steps and preparation and processing of a requisition, through receipt and acceptance of delivery and processing of a final invoice for payment. The acts of preparing specifications, evaluating bids or proposals, making awards and administering contracts are involved; in some contexts, property management is implied.

Professional Services – Services rendered by members of a recognized profession or possessing a special skill. Such services are generally acquired to obtain information, advice, training, or direct assistance.

Professional Services as per CCNA – 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.

Progress Payments – Payments arranged in connection with purchase transactions requiring periodic payments for certain stated amounts or for specified percentages of the total purchase price.

Proper Invoice - means an invoice that conforms to all contract and bid requirements that have been specified by the City.

Proposal – An offer made by one party to another as a basis for negotiations for entering into a contract.

Protest – A written objection to a solicitation by a prospective bidder, a bidder, a contractor or other interested party with the intention of achieving a remedial result.

Public Notice – Means the distribution or dissemination of information to interested parties using methods that are reasonably available. Such methods include publication in newspapers of general circulation, electronic or paper mailing lists, and web site (s) designated and maintained for that purpose.

Purchase Description – The words used in a solicitation to describe the supplies, services or construction to be purchased, including any performance, physical or technical requirements. Unless the context requires otherwise, the terms “purchase description,” “purchase specification,” and “specification” may be used interchangeably.

Purchase Order – A purchaser’s written document to a supplier formally stating all terms and conditions of a proposed transaction. A P.O. commits the City financially, by encumbering funds.

Purchasing – Buying materials and services of the right quality, in the right quantity, at the right price, from the right source, and for delivery at the right time.

Purchasing Cycle – The full sequence of activities carried out by a purchasing department in the acquisition of goods and services. (See Procurement)

Purchasing Ethics – Moral principles or code to be respected by the Purchasing Division, or any division or department having responsibility in the procurement process. The Office of Management and Budget has adopted the Code of Ethics promulgated by the National Institute of Governmental Purchasing and the Florida Association of Public Purchasing Officers.

Purchasing Manual – A document that describes the rules and procedures to be followed by the using agencies.

Purchasing Policy – A course of action adopted in purchasing affairs.

Purchasing Procedure – A mode of conducting purchasing activities.

Quotation – A statement of price, terms of sale, and description of goods or services offered by a prospective seller to a prospective purchaser, usually for purchases below the amount requiring formal bidding. May be non-binding if solicited to obtain market information for planning purposes.

Receiving Report/Partial & Complete – The form used to inform others in the organization of the receipt of purchased goods.

Remedy – Any remedial right to which an aggrieved party is entitled with or without resort to a tribunal. U.C.C. Code, Section 1/201(34).

Renewal - means contracting with the same contractor for an additional contract period after the initial contract period, only if pursuant to contract terms specifically providing for such renewal.

Request for Information - means a written request made by the city to vendors for information concerning commodities or contractual services. Responses to these requests are not offers and may not be accepted by the city to form a binding contract.

Request for Proposal – (1) The solicitation document used when price is not the determining criteria. (2) The solicitation document used in the competitive negotiated process. The procedure allows changes to be made after proposals are opened and contemplates that the nature of the proposals and/or prices offered will be negotiated prior to award. (3) A written solicitation for competitive sealed proposals. The request for proposals is used when it is not practicable for the City to specifically define the scope of work for which the commodity, group of commodities, or contractual service is required and when the City is requesting that a responsible vendor propose a commodity, group of commodities, or contractual service to meet the specifications of the solicitation document. A written solicitation includes a solicitation that is electronically posted.

Request for Quotation– The document generally used for seeking competition on small purchases or on any purchase lower than the amount that requires competitive sealed bidding. May be used for obtaining price and delivery information for sole-source and emergencies. The City requires the use of the electronic quote system to ensure competition on an equal playing field.

Requirements Contract – An indefinite quantity and delivery contract in which purchase requirements are filled by the selected vendor, with deliveries to be scheduled by placing orders with the vendor.

Requisition – Request for a Purchase Order. An internal document completed by the using department listing details of materials and services needed.

Responsible Bidder – A person who has the capability in all respects to perform in full the contract requirements, along with the integrity and reliability that will assure good faith performance.

Responsive Bidder – (1) A person who has submitted a bid which conforms in all material respects to the Invitation to Bids. (2) One whose bid conforms in all material respects to the terms, conditions, specifications and other requirements of the Invitation to Bid.

Restrictive Specification – A specification or purchase description that unnecessarily limits competition by precluding items that would be capable of satisfying the intended need.

Salvage – Property that has some value in addition to its value as scrap, but which is no longer useful as a unit in its present condition and whose restoration to usefulness as a unit is economically not feasible.

Sealed Bid – A bid that has been submitted in a sealed envelope to prevent its contents being revealed or known before the deadline for the submission of all bids.

Service Contract – A contract that calls for a contractor's time and effort rather than for a product.

Site Inspection – The requirement in a solicitation that the potential bidders or offerors visit the physical location where the contract is to be performed to become familiar with site conditions.

Sole Source Procurement – An award for a commodity or service to the only known capable supplier, occasioned by the unique nature of the requirement, the supplier, or market conditions. Requires advertisement for 7 business days on the City's electronic quote system.

Solicitation – A request for bids to provide supplies, services or construction.

Specification – A description of what the purchaser seeks to buy, and consequently, what a bidder must be responsive to in order to be considered for award of a contract. A specification may be a description of the physical or functional characteristics, or the nature of a supply or service. It may include a description of any requirements for inspecting, testing, or preparing a supply or service item for delivery. A purchase description.

Specifications Committee – A committee which advises and assists the central purchasing authority in establishing specifications. Often such a committee includes representatives with expertise from using agencies and specializes in a particular product area. A committee may also contribute advice and assistance in the development of standards.

Standard – A characteristic or set of characteristics for an item that, for reasons of performance level, compatibility or interchangeability with other products, etc., is generally accepted by producers and by users of the item as a required characteristic of all items for the designed purpose.

Standard Specification – A specification established through a prescribed process and used for all or most purchases of the item involved.

Stock/Stores – The supply of goods maintained in a stores system to satisfy anticipated demand.

Subcontractor – A party contracting with a prime contractor to perform all or any part of the latter's contract.

Surplus Property – Inventory not needed by the owning agency or by other agencies at the present time or in the foreseeable future.

Tabulation of Bids – A recording of bidders and abstract of their bids listing items offered, prices, deliveries, etc., in response to a specific solicitation, made for purposes of comparison and record-keeping.

Term Contracting – A technique by which a source of supply is established for a specific period of time.

Terms and Conditions – A general reference applied to the provisions under which bids must be submitted and which are applicable to most purchase contracts.

Terms of Payment – A purchase transactions required payment for the goods or services received, and with exception of an unusual exchange or barter agreement there are three basic payment terms: cash, open account, and secured account.

Uniform Commercial Code (UCC) – Uniform statute law adopted by all states, except Louisiana, for consistency in law governing commercial transactions.

Value Added – A term used to describe items offered within a proposal or sealed bid that add value to the contract. These items may include a signing bonus, free equipment, free advertising or any and all items that may be offered to enhance the value of the bid offer.

Value Analysis – Organized effort to analyze the function(s) of products, systems, specifications, standards, practices and procedures for purpose of satisfying the required function(s) in the most economical manner.

Vendor – Any individual, firm, corporation, etc., offering for sale, trade, exchange or otherwise supply items, goods, or services to the City in exchange for compensation.

Waiver of Bid(s) – A process authorized by law or rule whereby a government purchasing office may procure items without competitive bidding procedures because of unique circumstances related to a particular need or procurement.

Waiver of Mistake or Informality – The act of disregarding errors or technical nonconformity's in bids which do not change the substance of the bid and will not adversely affect the competition between bidders.

Warranty – A representation either expressed or implied that a certain fact regarding the subject matter of a contract is presently true or will be true.

Section II

DUTIES AND RESPONSIBILITIES

PURCHASING DIVISION OF OMB & DEPARTMENTS

2.01 PURCHASING DIVISION RESPONSIBILITIES

The Purchasing Division of the Office of Management and Budget is responsible for establishing purchasing policies and coordinating the purchasing procedures for the City. They initiate the reports necessary to permit analysis of purchasing performance, consolidating the purchase of like or common items, analyzing prices paid for materials, equipment and services, and generally defining how to obtain savings. They also provide training and supervision for using departments as well as Contract Administration.

2.02 FUNCTION

- A. Develop purchasing objectives, policies, programs and procedures for the acquisition of materials, equipment, supplies and services.
- B. Coordinate and supervise purchasing procedures of user departments.
- C. Initiate reports necessary for analysis of purchasing performance.
- D. Draft specifications for formal bids.
- E. Provide contract administration
- F. Provide administration for the City Procurement Card program.
- G. Ensure all purchases are made as per Federal and State laws, and City Policy.
- H. To resolve, monitor and negotiate all contract disputes regarding contract compliance.
- I. Audit departments for compliance of city's procurement policies.

2.03 OBJECTIVES

- A. To know and become acquainted with the needs of all departments.
- B. To procure a product or service that will meet the department's requirements and is the best value to the City.
- C. To know the source and availability of needed products.
- D. To write manuals, provide training and supervise all departments in meeting their purchasing needs.
- E. To maintain good vendor relations.

- F. To inform department heads of market changes, new products and other such factors.
- G. To provide an understanding of sound purchasing policy and procedures throughout all departments of the City.
- H. To exchange ideas and information with other public purchasing agencies in an effort to solve common problems.
- I. To develop standardized specifications for use by all departments, improve the purchasing practices and apply them when feasible.
- J. To know all legal procurement laws and ensure purchasing personnel comply.

2.04 RELATIONS WITH CITY DEPARTMENTS

- A. Cooperation and understanding between City departments is necessary for the effective operation of the Purchasing Division of OMB.
- B. The Purchasing Division shall establish and maintain communication with City departments in order to meet their purchasing requirements.
- C. In cases where technical equipment, specifications and supplies are involved, the department concerned will indicate their requirements; all purchasing actions will be coordinated with them prior to placing an order.
- D. The purchasing function is a cooperative effort and the mutual benefits derived for the good of the City depend upon this cooperation between departments. This manual is to be used as a guide in helping departments to do their part and to point out their responsibilities in purchasing.

2.05 REQUESTING DEPARTMENT'S RESPONSIBILITIES

- A. Enter requisitions or P-Card Orders as outlined in this manual allowing sufficient lead time for the Purchasing Division of OMB to approve the order and the Vendor to deliver goods or services.
- B. Follow the City purchasing policies outlined in the Purchasing and Visa manuals.
- C. Prepare technical specifications when needed for products or services.
- D. Review bid tabs and submitted proposals to inform OMB of their department's recommendations for award.
- E. Send documentation and request for purchase to piggyback using State Contracts, other competitive bids when the purchase is over \$25,000 from one vendor per fiscal year.
- F. Inform OMB of any contract compliance issues.

Section III

GENERAL GUIDELINES

This section is an introduction to the general guidelines and/or rules for the purchasing process, which establishes policy. Subsequent sections provide those procedures and methods to be utilized to carry out this policy.

NOTE: No item or service is to be ordered, received, or paid for without a Purchase Order, Blanket Purchase Order, Emergency Purchase Order or Purchasing Card.

3.01 PURCHASES OF \$0.01 TO \$100.00

Purchases in this category should be paid with an Accounts Payable Slip if the vendor does not accept the Purchasing Card.

3.02 PURCHASES OF \$100.01 TO \$1000.00

Purchases in this category may be made on a Purchase Card or a Purchase Order when the vendor does not except the Procurement Card. All purchases in this category require the approval of OMB.

3.03 PURCHASES OF \$1000.01 TO \$25,000.00

Purchases in this category may be made on a Purchase Card or a Purchase Order. A minimum of three (3) written quotes shall be obtained by using the City's Quote Wire System.

Quotations are to include delivery charges and time frame for that delivery. The Quote Wire Number must be on the requisition and entered by the department in the vendor source notes or on the receipt if the Purchasing Card is used.

The Purchasing Division of OMB, after review of the price quotes and department recommendations, will approve the requisition to the requesting department. The Purchasing Division reserves the right to verify quotations and pricing information, and check to determine whether delivery charges have been included, and/or seek further competition.

3.04 PURCHASES OVER \$25,000.00 CITY COUNCIL APPROVAL

All purchases over \$25,000.00 must be approved by the City Council. To place an item on the City Council's Agenda, the department will forward all necessary documentation to OMB for preparation of the Agenda Item Request. (See Exhibit 3) OMB will prepare the request and send it to the departments for review, sign off and acceptance. These departments may include legal, risk management, the requesting department, finance, and any other department that may be affected by the request. The departments then return the signed request to OMB when it is then sent to the City Manager for final approval. The City Manager's Office sends the approved Agenda Item Request to the City Clerk's Office to be placed on the next City Council Agenda.

Council approval takes place only during regular Council meetings on one (1) of two (2) Monday evenings each month. Therefore, it is essential that the recommended Agenda Item Requests be processed and submitted on a timely basis to avoid unnecessary delays. To this end, all items to be placed on a subsequent Monday council agenda must reach the OMB office by Thursday (12:00 noon) of the prior week.

3.05 PROCUREMENT CARD PURCHASES

The City recommends using the Procurement Card for all purchases when accepted by the vendor. All Procurement Card purchases must follow the rules and procedures as per the Purchasing Card and Procedure Manuals.

It is suggested when ordering by telephone that the order be faxed to the vendor to be used as verification the order was received. The Quote Wire Form may be used for this purpose.

All capital items purchased must be put on the Capital Card designated for that purpose or department.

No travel expenses are to be charged on any procurement card.

Section IV

PURCHASING METHODS TO BE UTILIZED

4.01 COMPETITIVE FORMAL (SEALED) BID

This method is the most preferred and is used when: specifications are clear, competition is prevalent, substitutions are allowable, and time is not a constraint.

Sealed bids allow a maximum degree of competition among a number of suppliers offering similar products. As a result, prices obtained are generally considerably lower than standard “list” pricing. Sealed bids require considerable effort in the preparation of their terms, conditions, and specifications. Consequently, formal bidding may be impossible to use if time is a constraint.

4.02 COMPETITIVE FORMAL (SEALED) PROPOSAL (RFP)

This method of procurement is used when competitive sealed bidding is not practical.

Formal proposals differ from formal bids in the nature of their intent. Bids will usually supply, in detail, the nature and specifications of the goods or services desired. The requesting department has generally provided this data. Proposals, however, will specify the nature of a requirement that needs to be met. Often, the means of satisfying this requirement is unknown to the requesting department. Therefore, the Purchasing Division of the Office of Management and Budget will request that vendors submit their proposals for accomplishing a specific goal. These proposals will be diverse relative to approach, means, and cost.

Formal proposals are best used when the objective is vague or lacking in details; or when the vendor’s knowledge of his field may provide innovative and economical solutions. Evaluation criteria must be included in the proposal.

The disadvantages of proposals include difficulty in judging among the submittals and lack of assurances that the vendor’s proposal will accomplish the desired goal.

A Formal proposal for services for a specific time period may be used to set up Master Contracts. As per example, a Request for electrical services would be an appropriate use of the Master Contract method. These Master contract proposals are intended to be awarded to multiple firms that have equal qualifications for the type of trade service requested. Selection of the firm by project is made by availability and price negotiation or solicitation by E-bid to all firms under the trade service needed.

4.03 CONSULTANT’S COMPETITIVE NEGOTIATION ACT (CCNA)

This requires a Request for a Proposal for Professional Services. “Professional Services” means those 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. (FS 287.055)

A Request for a Proposal for Professional Services that state and name the projects for a specific time period may be used to set up CCNA Master Contracts. As per example, a Request for architecture services that includes the 5 year Capital Improvement Plan. These Master contract proposals are intended to be awarded to multiple firms that have equal qualifications for the professional service requested. Selection of the firm by project is made by availability and price negotiation following Florida Statutes.

4.04 STATE CONTRACT AND OTHER GOVERNMENT AGENCY CONTRACTS

State, Government Agency and Organizations contracts have already been competitively bid; therefore, the need to bid is satisfied for purchases of this nature. This method of purchase is particularly desirable if time is a constraint or if the chances for obtaining better prices from other sources is poor. This practice is commonly known as piggybacking.

Utilization of these sources eliminates the need for a formal waiver of competitive bids.

4.05 SOLE SOURCE/ SOLE PROVIDER PURCHASES

Sole source or a single source purchases are defined as being non-competitive in price or availability and may be excepted from the competitive-solicitation requirements. Examples might be purchasing from a manufacturer's sole sales agency or purchase of a particular brand of computer equipment because it is exclusively compatible with the mainframe computer.

All sole source and sole provider purchases must be bid out on the City's Quote system for a period of at least 7 business days. The Director of the Office of Management and Budget or his designee must approve sole source purchases under the \$25,000 bid threshold.

The City Council must approve sole source purchases over \$25,000.00. On recommendation by the City Manager, the City Council by affirmative vote, may authorize the purchase, or authorize the making of an offer to purchase from: one source of supply, surplus, used buildings, furniture, fixtures, equipment, and material after the electronic posting for 7 business days and the department has provided in writing that the services are only available from a single source.

Caution should be exercised when requesting "sole source" approval from City Council for a purchase. In many cases, other sources do exist for a given item, and these must be investigated by the Purchasing Division before committing to "Sole Source". Purchasing staff must first conduct a sole source review to justify the purchase.

The department must provide documentation from the manufacturer proving sole source status. Providing a patent number or other information indicating they are the only suppliers in the area may satisfy this requirement.

4.06 EMERGENCY PURCHASES

An "Emergency" is defined as a situation brought about by a sudden unexpected turn of events i.e. Act of God, riots, fires, floods, accidents, or any circumstance or cause beyond the control of the City in the normal conduct of its business. An emergency purchase is made to alleviate a situation where there is a threat to health, welfare, injury, or loss to the City that can only be rectified by immediate purchase of equipment, supplies, materials, or services.

A Department Head often makes true emergency purchases on weekends, holidays, or after hours. *The City Manager or his designee the Office of Management and Budget may authorize purchases in excess of \$25,000.00 but not more than \$50,000.00 when the City Manager or his designee OMB has determined circumstances require immediate requisition of goods or services. The City Manager shall then justify said requisitions to the City Council and request Council ratification. Orders for under \$25,000.00 may be approved and ratified by the Purchasing Agent-Director of OMB.*

An “emergency purchase” must fit the circumstances noted above. Poor planning and inadequate management are not “emergencies” and cannot be treated as such. Purchases of this nature may be expedited, but still do not justify “emergency” status.

Section V

PURCHASE ORDERS

5.01 PURCHASE REQUISITION

A. PURPOSE

A role of the City's Purchasing Division is to meet valid needs for materials, goods, services, construction and equipment by providing the right products or services in the right quantity, at the right price, at the right time, and at the right place. To accomplish this, it is necessary for the various departments to inform the Purchasing Division of OMB of their requirements by the preparation of a requisition submitted through the purchasing software system.

The purchase requisition serves to inform the Purchasing Division of the needs of a specific user department and to correctly define the material or service requested. The requisition is not an order, merely the request for Purchasing to procure the item(s) or service(s) in accordance with established City policies and procedures.

The procedures that are set forth in this manual have been established as a tool used by Purchasing for the processing of all requisitions. The requisition will begin with the requesting department.

B. WHEN PREPARED

A review of the departmental workload will assist in the planning of work schedules to permit the orderly procurement and receipt of any materials required to complete the job.

Rush or emergency orders are costly. The departments should anticipate requirements and submit requisitions allowing ample time for Purchasing to complete action to secure the items needed at the time required.

C. WHO PREPARES

Requisitions shall originate in the using department at the level where the purchase is to be used and proceed to the Purchasing Division after receiving approval of the department head and his/her designee.

Department heads may, at their discretion, designate certain other employees to approve purchase requisitions. Persons so authorized should complete a signature authorization sheet in the Finance and Purchasing departments. The department must update these sheets whenever personnel changes occur.

D. DATA ENTRY OF REQUISITION

See Requisition Manual for complete and detailed instructions. A properly prepared requisition must contain the following information:

1. Department/Cost Center – Fill in your departments cost center or if it is for another department then enter their cost center. Selecting the arrow on the right of the cell will display a list of all cost centers.

2. Need By Date – It is mandatory to indicate the date the items are to be delivered or service is to be completed within a specified period of time. Date should be reasonable and correct; dates that are out of line will be questioned.
3. Suggested Vendor – Enter the correct vendor number from the current vendor list or a new number obtained from the Finance Department.
4. Ship To (Code #) – This code indicates the department where the item is to be shipped. Selecting the arrow to the right of the cell will display a list of all codes and their assigned departments.
5. Quantity and Unit – Indicate each item and the quantity desired by unit of measure such as: each, dozen, gross, carton, case, gallon, pound, etc. If you are ordering by carton or case, please indicate the carton or case count on the requisition. In some cases, each manufacturer has a different case count for their goods.
6. Unit Price/Extended Price – Include the unit price or extended price, which may be a “quote” price received.
7. Description – Give a careful and precise description of the specifications of the item or service desired i.e. size, dimensions, type, weight, construction of item and/or equipment, and other pertinent information. If applicable, provide a manufacturer’s brand name and model for the purpose of establishing a standard of quality. If the purchase is of a technical nature, specifications should accompany the requisition. If the item cannot be described, except with a great amount of detail, a brief description should be given, followed by the trade name or model number of an acceptable item or “equal”. Indicate if the item is known to be on GSA, State or other contracts and note the contract number, or include the Quote Wire number if \$1,000.00 or more. Purchasing will review all items to determine availability under contract.
8. Account Number – Indicate the expenditure code of your department. Particular attention should be given to coding expenditures to the appropriate account. Where multiple account numbers are utilized, please provide Purchasing with a dollar allocation in lieu of percentage allocation.
9. Release – Once the requisition has been completed it must be released. This allows the requisition to follow the traffic path for approval.

E. APPROVAL AND ROUTING

1. After completion of data entry, and release, the computer will forward the requisition for review and approval by the designated approver for that department. Following that approval the requisition is then available to The Office of Management & Budget for review.
2. Purchasing will review the requisition to determine if it is properly prepared, has the required account codes, budget, quotes, approvals, and adequate description. If information is incomplete the requisition will be rejected.

The requisition is rejected and returned to the issuing department for the following reasons:

- a. Date needed is not reasonable
- b. Incorrect account numbers have been used

- c. Improper vendor
- d. Insufficient account balance available
- e. Insufficient budget approval for capital items
- f. No quote wire number noted in the vendor sourcing notes.
- g. Contract number not shown.
- h. Contract start and end date not given.
- i. Insurance, if required, not requested prior to commencement of work.

3. Once review and authorizations are complete the Purchasing Division of OMB will encumber the funds. The purchase order is then printed and distributed to the proper users.

5.02 ACQUISITION PROCESS

A. SECURING COMPETITIVE PRICE QUOTES

With the exceptions of emergency and sole/single source purchases, all purchases of \$1000.00 to \$25,000.00 require that opportunity for competition be given by solicitation from vendors.

Competitive quotations are to be obtained by the requisitioning department using the Electronic Quote Wire System. The quote wire number is to be included in the vendor sourcing notes on the requisition. A minimum of three (3) quotations should be obtained if possible. If only one response is received on the Quote Wire System then that is adequate.

B. COMPETITIVE PRICE QUOTES NOT REQUIRED

The following are types of purchases and contracts that are exempt from competitive quotes.

1. Architectural, engineering, landscape architecture, registered surveying and mapping services are governed by the Competitive Negotiations Act as FS 287.055 for services of \$25,000.00 and less or when the project is expected to be less than \$250,000.
2. Emergency Purchases – Emergency purchases, when certified by a department head to the Director of OMB, that delay incidental to competitive bidding would be detrimental to the interest of the City.
3. Sole Source – Any item which is a propriety item, or available from only a single source, and for which there are no competitive alternate sources. Also included are specialized services that, by their very nature, are available from only a single source. The requesting department shall provide documentation necessary to support the sole source of goods and/or services and will post product or service needed for 7 business days on the Quote wire System.
4. Purchase Contracts – Purchases of supplies, materials and equipment from the City, State of Florida, other governmental entity, purchasing contracts, or any competitive bid contract.
5. These items are exempt as per FS 287.057, 5, f,
 - a. Dues and memberships in trade or professional organizations
 - b. Subscriptions for periodicals
 - c. Legal advertisements
 - d. Legal services

- e. Postage
- f. Expert witnesses
- g. Abstracts of titles for real property
- h. Title insurance for real property
- i. Court reporter services
- j. Water, sewer, electrical, telephone, and other utility services where competition is not available
- k. Copyrighted materials not available from multiple sources
- l. Seasonal and recreational service providers
- m. Hospitality services and expenses
- n. Fees and costs of job-related seminars and training
- o. Travel
- p. Artists, music ensembles (bands) and other entertainment providers
- q. And animals.
- r. Using Pride for printing or purchase of any product provided by Pride

C. AWARD OF BID

It shall be the responsibility of the Purchasing Division of OMB, in conjunction with the requesting department, to determine the bid that is the best value for the City. In any purchase in which a determination is made to accept a bid other than the apparent low bid meeting specifications, the Agenda Item Request must include adequate documentation to justify the rejection of the low bid.

5.03 PURCHASE ORDERS

A. PURPOSE

The purchase order or p-card order is a legal document authorizing the purchase of and subsequent payment for materials, supplies, equipment, construction, repairs and services. The purchase or p-card order number is the control and reference number and it is to be entered on all receiving documents, invoices, and inquiries pertaining to items on order.

B. WHEN ISSUED

The Purchase orders shall be issued by OMB only against Purchase Requisitions approved by a department head or designee. The Purchasing Division of OMB will maintain an updated listing of all authorized signatures. Department heads are responsible for advising Purchasing of additions and/or deletions when personnel changes occur.

C. WHO ISSUES

Only the Purchasing Division of OMB may issue Purchase Orders.

D. HOW TO PREPARE

The purchase order is prepared from the requisition and shall be written so that it is concise and clear. This will prevent unnecessary misunderstandings and correspondence with vendors.

E. ROUTING OF PURCHASE ORDER

The order is a snap-out computer form containing an original and four copies.

Copy 1 (White) – is mailed directly to the vendor.

Copy 2 (Yellow) – is retained by OMB and filed numerically.

Copy 3 (Green) – is retained by Finance Department's Accounts Payable.

Copy 4 (Pink) – is sent to the using department and retained for their files.

Copy 5 (Goldenrod) – is sent to the using department for comparison with material actually delivered. Upon receipt of goods, the goldenrod copy is signed and dated by the receiver and the using department personnel forwards that information to the Finance department for payment. Please request Finance to close PO when final payment is being processed.

F. CHANGE ORDERS

Whenever a change of any kind on the original order is requested, the actual change is made by using a Change Order Request Form. (See Exhibit 4) This form should be filled out completely by the originating department and sent to the Purchasing Division of OMB for authorization and processing. After the change has been completed, the purchase order is reprinted with a notation of the change and the date completed under the description heading. The reprint has the same number of copies as the original and carries the same routing.

G. CANCELLATION

If the requisitioning department wants to cancel an order, they must notify the vendor, in writing as soon as possible. They also must send a Change Order Request Form marked Cancel, with the reason for that cancellation properly noted, to the Purchasing Division of OMB. OMB will process the cancellation in the computer system.

5.04 RECEIVING, INSPECTING, TESTING

A. RECEIVING AND INSPECTING

Check order for Purchase Order Number or Visa Number, if none are found do not accept merchandise. Have merchandise returned

The order itself, whether using a Purchase Order or Procurement Card, indicates to which location or department the materials and supplies are to be delivered. It is the responsibility of the using department to:

1. Receive product by checking the shipment upon delivery for possible shipping damage, matching quantity and description to the Purchase Order.
2. After determining that there is no damage and they have received the correct product and quantity, they must sign the delivery slip or Bill of Lading. Any discrepancies should be noted and the vendor should be contacted immediately to receive proper credit before payment is made.
3. When using a purchase order, the receiving copy (goldenrod) should then be forwarded, along with the packing slip or delivery ticket, to the Finance Department. It will be matched to the vendor invoice and processed for payment.

4. When using the procurement card, the packing slip or delivery receipt must be attached to the receipt and turned in by following their department's purchasing card process.
5. When partial deliveries are made at the convenience of the vendor, payment will not be made until complete delivery is made, unless partial shipment has been authorized when the purchase order was issued.

The following are steps to take when receiving material:

1. Verify the count. If there is a discrepancy, note shortage on both shipper's and deliverer's copies of the receipt.
2. Check for visible damage. Note on all receipts.
3. Check for concealed damage – make note of broken or crushed containers.
4. In signing a delivery receipt add "except for concealed damage, if any."
5. Notify carrier in writing of any damage found and request an inspection.
6. If you do not have time to verify delivery immediately upon receipt, please sign delivery ticket and include "delivery not checked for accuracy or damage".

B. TESTING

Testing of certain materials and supplies is occasionally required. The using department and OMB is responsible for all details in connection with any necessary testing. Testing requirements should be included in the written specifications on the Purchase Order.

5.05 INVOICES

A. DEFINITION

An invoice is the vendor's statement of his charges against the City for materials or services rendered. These invoices are based upon the Purchase Order and should contain the same basic information. The processing of invoices may favorably or unfavorably affect the relationship between the City and its suppliers.

B. WHAT INVOICES SHOULD CONTAIN FOR PO PURCHASES

1. Vendor name and address.
2. Invoice number and date of purchase.
3. Purchase Order number.
4. Taxes (if applicable), delivery charges or cartage listed separately from materials or services. The City is exempt from state sales tax; our tax-exempt number is on the purchase order form.
5. Discount terms if available.
6. Invoices involving the purchase of goods must include item description, quantity, unit price, total price, and invoice total.
7. Invoices involving the purchase of services must include a detailed description of the services performed, when and where as well as the method of billing for those services (hourly rate, percentage of completion, cost plus fees, etc.).
8. Any other information required by written agreement or contract with the City of Port St. Lucie.
9. Contract number, if applicable.

10. Quote number, if applicable.

C. WHAT PURCHASING CARD RECEIPTS SHOULD CONTAIN

1. Vendor name and address.
2. Invoice number and date of purchase.
3. Card account number and department placing order.
4. Description of item or service including price and quantity.
5. Total cost.
6. Contract number, if applicable
7. Quote number, if applicable
8. Signature of card holder

D. PROCESSING FOR PAYMENT

Upon completion of delivery and acceptance of material or service, the department will immediately attach shipping documents or invoice, if received, to the receiving copy of the purchase order and forward to the Accounts Payable Division of Finance. Vendors are directed to mail invoices directly to Accounts Payable. Should an invoice be received by the originating department, it must be forwarded to Accounts Payable without delay. Purchasing Card receipts are to be mailed to the ordering department.

E. RECIEPT OF INVOICES

An invoice which conforms with all the above requirements is considered a Proper invoice.

1. Date stamp all invoices
2. Verify invoice is a proper invoice
3. Complete receiving copy of the purchase order for payment if a proper invoice
4. Obtain proper signatures and dates on invoice if a proper invoice
5. Submit invoice with receiving copy of purchase order to Accounts Payable in Finance

F. IMPROPER INVOICES

Return invoice with explanation of what is improper to vendor within 10 days of date stamp of receipt.

G. PAYMENT OF PROPER INVOICES NON CONSTRUCTION

The time at which payment is due for a purchase other than construction services by the City shall be calculated from:

1. The date on which a proper invoice is received by the City
2. Or on what the City and vendor agree in a contract that provides dates relative to payment periods once a proper invoice is received; whichever date is latest.

H. PARTIAL PAYMENTS

Partial payments will not be made except when partial deliveries are made for the convenience of the City or when a discount is available.

5.06 PARTIAL RECEIVING REPORTS AND PARTIAL INVOICES

A. PARTIAL RECEIVING REPORTS

A partial receiving report serves the same purpose as the receiving report except it applies only to the portion of the order, which is received at a time different from the remainder of the shipment.

A properly prepared partial receiving report must contain the following information:

1. A copy of the original receiving report (goldenrod) shall be utilized, and the original goldenrod shall be retained by the using department until the order is finalized or closed.
2. Item number of goods received according to the receiving copy of the P.O.
3. The number of units received on the partial shipment.
4. The signature of an authorized receiving person shall be on the partial receiver as each is turned in.

B. PROCESSING OF PARTIAL RECEIVING REPORTS

Completed Partial Receiving Reports are forwarded to Accounts Payable.

SECTION VI

CHANGE ORDERS

When a vendor notifies the City that there is an error on a purchase order that has been issued to them, or a vendor's invoice does not match the City's corresponding purchase order, then a change order may be required if agreeable to the City. Change orders modify the original terms of the purchase order contract to coincide with the actual details of the delivered order, or to be consistent with the vendor's position.

Change orders must be initiated by use of the electronic Change Order Request Form which details the purchase order to be changed, and all changed items such as price, model number, freight allowances, etc.

6.01 REVIEW OF PURCHASE ORDERS CHANGE ORDERS

Before processing a change order, it is the responsibility of the Purchasing Division of OMB to determine whether or not the change order is proper.

A change order is improper and should not be processed if any of the following conditions apply:

1. Authorized signature is invalid or missing.
2. Change order does not specify items to be changed.
3. Purchase order has been invoiced and check has been issued in payment (P.O. "closed").
4. Change requested is contrary to terms of original quotation or bid.
5. Change Order requests a decrease in cost of item. If the cost of a specific item is less than the cost on the purchase order Accounts Payable will pay the lesser cost. If the difference is grossly in error (\$10,000.00) a change order is required.
6. Change Order will increase the total order to \$25,000.00 or over (these change orders must first be approved by City Council before processing).
7. Change Order requests an increase in the cost of an item for less than 10% or not more than \$1,000.00. This difference may be paid by indication of the amount to be overpaid on the back of the goldenrod copy of the purchase order.

7.02 PROCESSING CHANGE ORDERS

A Electronic Change Order requests covering specific changes are received in the Purchasing Division of OMB, they are checked for accuracy and improprieties, then approved by the Deputy Director or designee.

After review and approval, change orders are entered in the system by the Purchasing staff. Specific notes are added about the change order to print on the Purchase Order when it is reprinted.

7.03 CHANGE ORDERS REQUIRING CITY COUNCIL APPROVAL

A change order that brings the total value of the purchase order over \$25,000.00 or is \$25,000.00 by itself must receive council approval before further processing.

NOTE: Change Orders that decrease the orders total, even though the original was approved by Council, do not require additional Council approval.

Change Orders requiring Council approval must be submitted to the Purchasing Division of OMB with documentation explaining the need for the increase. Purchasing will review and validate change order as per contract. If Purchasing agrees that change order request is valid then Purchasing will then send an

Agenda Item Request of recommendation, through the using Department to the City Clerk's office for placement on the City Council Agenda.

After Council approval the change orders will be signed and released by OMB for processing. Each change order must reference the Council meeting date and the consent agenda item number. A copy of each change order and accompanying documentation must be attached to Purchasing Department's file copy of the original Purchase Order.

7.04 PROCEDURE FOR CONSTRUCTION CHANGE ORDERS

OMB may authorize all construction change orders up to 10% of the project's original total price or \$25,000.00, whichever is lower, on a cumulative basis. The purpose of this measure is to prevent construction delays caused by small change orders. When cumulative change orders for a project exceed 10% of the original price or \$25,000.00, then City Council approval is required.

It is the responsibility of the requesting department or project supervisor to monitor construction change orders and initiate a request for Council approval when the 10% - \$25,000.00 threshold is reached. Once the threshold is passed all subsequent change orders for that project must be approved by City Council.

Change orders must be submitted by the contractor or the engineering firm on the Construction Change Order Form to the Purchasing Division of OMB, in order to modify the original Purchase Order. Explanatory memos or contractor's change order document must accompany the change order, which will be processed by OMB when validated as being accurate and as per contract.

SECTION VII

BIDS AND PROPOSALS

Formal (sealed) bids and proposals are the most effective procedures for soliciting competitive prices from vendors in the public (governmental) purchasing sector.

As discussed in Section IV, each method has advantages and disadvantages. In this section, the procedures for preparing and processing bids and proposals are addressed.

7.01 FORMAL (SEALED) BIDS

A. PURPOSE OF BID

Before proceeding with any bid, OMB must determine the purpose that is to be served. Will the bid result in procuring goods, services, or a combination of both? Is there a necessity for special protection for the City through bonds and insurance? Will the contract provide a one-time purchase or an annual blanket agreement? All these questions and more must be answered before preparing the bid for issuance.

B. VENDOR SELECTION

A vendor list sufficient to generate at least three responses is required for all purchases over \$25,000.00.

Potential suppliers may be located by using the following resources:

1. Data Management Vendor/Bidder's List (Currently Demand Star @ Onvia)
2. State Purchasing Contracts
3. Product Catalogs
4. Telephone Directories
5. Purchasing Records
6. Thomas Register
7. McRae's Blue Book
8. Department Head Recommendation
9. Trade Journals
10. Salesperson

C. ADVERTISEMENT OF BIDS

Adequate public notice of the Invitation for Bid shall be given. The City will advertise once a week for two (2) consecutive weeks in newspapers of general circulation in St. Lucie County. The City's Code of Ordinance states that the first advertisement should be at least ten days before the bid opening date.

EXCEPTION: The solicitation of competitive bids or proposals for construction projects that are projected to cost more than \$200,000.00 shall be publicly advertised at least once in a newspaper of general circulation in the county where the project is located. This ad should appear at least 21 days prior to the established bid opening and at least 5 days prior to any scheduled pre-bid conference.

The solicitation of competitive bids or proposals for construction projects that are projected to cost more than \$500,000.00 shall be publicly advertised at least once in a newspaper of general circulation in the county where the project is located. This ad should appear at least 30 days prior to the established bid opening and at least 5 days prior to any scheduled pre-bid conference.

The newspaper advertisement shall include the bid or proposal number, bid title, bid opening date and time, the location for delivery of bids, and the information of how to obtain the bid specifications.

D. DISTRIBUTION OF BIDS BY OMB

The steps to be followed for distribution of the solicitation are:

1. Log bid on Data Management Vendor's System.
2. Print notification list from the Data Management System.
3. Print document fulfillment list when completed.
4. Distribute copies of solicitation documents to ordering department.
5. Using the Data Management System, send any addenda out after the initial solicitation to each name on vendor list, and the ordering department.

E. PRE-BID CONFERENCE

A pre-bid conference may be held with all bidders and concerned project personnel on complex procurement projects.

The primary objective of such a conference is to provide a clear understanding of instructions to bidders relative to drawings, specifications, local conditions, location of the work, and basic construction methods or work requirements. A site visit may be scheduled following the conference if the project personnel feel it would be beneficial for clarification of specifications.

In addition to avoiding quality assurance problems and contingency items in quotations, other benefits that may be derived from conferences are:

1. The number of changes in specifications can be reduced.
2. Competition may be stimulated by interesting more prospective suppliers.
3. Conferences tend to insure that qualified suppliers will submit quotations and tend to discourage submission by suppliers who are not qualified to perform the work or supply the goods.
4. An opportunity is given to discuss schedules. This is particularly valuable when hard to get or special materials and equipment is involved.
5. An opportunity is given to explain policies and requirements with respect to procurement methods, competitive bidding and negotiation, quotation qualifications and conditions, price provisions in solicitations and any resulting contractual agreements, and the determining factors in making awards.

The conference should be a formally announced meeting with bidders. An announcement of the conference shall be included with the Invitation to Bid. The announcement will state when and where the conference will be held. In order to derive the greatest benefit from a conference, adequate time should be provided for the prospective suppliers to review the plans and specifications prior to the conference. The conference should be attended by personnel qualified to answer completely and accurately all questions relating to matters such as contract provisions,

design and specifications, and production techniques that are expected to be discussed. A formal record shall be made of persons attending and the organizations represented through the use of a sign-in sheet.

During the pre-bid conference, the specifications are reviewed and discussed with all vendor representatives in attendance. Care shall be taken to clarify the specifications as requested so as to insure that a vendor is not written out, thereby, eliminating him from the bidding without due cause. Only in those instances where a vendor requests a change in the specifications that would result in compromising the intended use and quality of the equipment are such requests denied.

It is important that persons attending be clearly informed that no oral statement from any person which modifies plans and specifications will in any manner or degree, be considered official until covered in an addendum to the Bid or Request for Proposal.

F. ISSUING ADDENDA

Once an invitation to bid has been issued, no changes in the specifications can be made unless all prospective bidders are so notified by means of an addendum, clearly pointing out such changes.

All addenda shall be issued at least seven (7) calendar days prior to bid opening date. If there is not sufficient time, the bid date will be changed.

G. RECEIVING BIDS

Control of the bid document is essential. Bidders will submit their bid in a sealed envelope with the following information clearly marked on the outside:

1. Vendor Name
2. Due Date (month, day, year)
3. Time Due (hour/ a.m. or p.m.)
4. Bid Number
5. Bid Title

Each bid received will be date and time stamped, then initialed by the individual in the Purchasing Division who physically received the bid.

On occasion an envelope will be received without proper information on the outside identifying it as a bid reply. After the envelope has been opened the appropriate bid information will be written on the outside of the envelope, time stamped, reason it was opened accidentally, and resealed for re-opening on bid closing date.

All sealed bids shall be received at the Office of Management and Budget, 121 SW Port St. Lucie Boulevard, Building A, Port St. Lucie, FL 34984. The Office of Management and Budget is located in Suite #390 on the 3rd floor.

RECEIVING OF ELECTRONIC BIDS

The City also conducts electronic bidding. These bid opportunities are advertised as E-bids. Each bidder submits bid using the City' bid data management vendor. The bid will be done through a secure locked box. Bidders can only view/submit their own Bid and will not have access to any other bidder's submittals. The Bidder's submittal may be changed at the Bidder's discretion until the due date and time have been reached at which time the Bidder will no longer change or have

access to the electronic bid submittal. The Office of Management and Budget will then open all the bids electronic and paper. Bidders who are quoting electronically for the first time are strongly encouraged to contact Demand Star at (800) 711-1712 or obtain assistance by e-mailing questions to SupplierServices@onvial.com.

RECEIVING OF ELECTRONIC SIGNATURE

The city accepts electronic signatures on all bid and contract documents.

H. BID FORMAT

To avoid duplication of effort in bid preparation, the Purchasing Division has created a bid format, which provides the “boilerplate” or general terms and conditions of the bid.

Care is taken that appropriate protection is afforded the City through requirements for bid bonds, insurance, and/or performance and payment bonds. Deletion of these items may result in loss of any meaningful protection for the City in the event of a vendor default or non-compliance.

I. BID CONDITIONS

In addition to the general conditions or “boilerplate”, most bids require special conditions, which pertain specifically to the bid in question. Conditions differ from specifications in that conditions refer to requirements, which must be met by the bidder before specifications of his bid item are even considered. For example, a supplier of furniture who cannot meet the required condition of a 30-day delivery will be eliminated, even though his furniture may meet all physical specifications.

Conditions allow the City a high level of protection by the inclusion of various clauses relative to renewal of contract, cancellation, settlement of disputes, payment terms, delivery schedules, etc. Purchasing staff should remember that, by referencing the bid in their purchase or visa order, they effectively bind the vendor to the terms, conditions, and specifications of that document. Therefore, should disputes arise, the written contract (bid and purchase or visa order) will prevail.

J. BID SPECIFICATIONS

Except for technical City-wide and central stores requirements (such as fuel), specifications for all other departmental bids should be provided by the requesting department. These technical specifications need to be provided to OMB in an electronic format, preferably Word.

Reasons for this policy are as follows:

As prime user, the department is best aware of any special characteristics or problems.

Because they probably utilize the item daily to be bid on, the department is best aware of any new developments in that product field.

Scientific, engineering, or other technical descriptions must be provided by departmental staff who are qualified to do so.

Purchasing staff should not be placed in the position of deciding upon and specifying bid items for individual department usage. Purchasing may assist in writing technical specifications; however, they must be reviewed and approved by the using department.

Specifications are the basis for a vendor's bid. Realizing that his bid will be compared primarily on the basis of price, a vendor will seek to offer an item that only meets the specifications. Consequently, it is vital that specifications make no assumptions, but rather detail every important facet of the item in question. To do so invites delivery of items, which meet specifications, but fail to meet the department's expectations.

A specification is defined as "a concise statement of a set of requirements to be satisfied by a product, material, or a process indicating whenever appropriate, the procedure by means of which it may be determined whether the requirements given are satisfied."

The object of the Purchasing Division of OMB is to arrive at "performance specifications" which satisfy the need while allowing the greatest number of competing firms to bid. Therefore, it is more desirable to describe an item by the job it is intended to do and the physical characteristics it must exhibit than merely to specify a given brand and model with no substitutions.

Specifications may be by performance description, or brand name; or a combination of the above. In some cases, description by noting the brand name of an acceptable unit may be the preferred method. However, to assure competition when using brand names, the phrase "or equal" should always follow the brand description. This allows vendors of similar products to bid thus promoting maximum competition and the best value for the City. Should proof of equivalency arise, the burden is on the substituting vendor to provide it. Final judgment of equivalency shall reside with the Director of the Office of Management and Budget or his/her designee.

K. BID QUOTATION

Aside from any attachments such as plans or drawings, a separate document titled "Bid Reply Sheet" shall be provided. This page provides blank spaces labeled for the vendor's company name, address, phone number, signature, title, date, their bid price by unit and/or total, delivery data, freight charges, warranty data, and any other special information required by a specific bid. Submitted to OMB, the Bid Reply Sheet should be in Excel format if unit pricing is being used.

Vendors will be advised in the bid document to use only the provided "Bid Reply Sheet" or diskette /CD for their response. Another clause on the "Bid Reply Sheet" will state that the vendor, by submitting his bid, acknowledges that he will meet all bid terms, conditions, and specifications. The purpose of these clauses is to control the bid submittal documents so that vendors do not submit bids which include verbiage negating or modifying the terms of the bid. Any vendor that attempts to do so, to the disadvantage of the City, will be rejected.

ELECTRONIC BID REPLY

To submit an electronic bid:

Log onto DemandStar, Read the Bid Specifications and Download the Bid Reply Document and fill in:

1. The Contractor's name and address
2. List any addenda that were issued
3. List the Total Project Lump Sum Amount
4. List the number of days to complete the project
5. Electronically sign and date the document
6. Save the document to your computer Word files
7. Upload the completed Documents as listed in the Bid Reply onto DemandStar
8. List on the e-bid electronic reply the total amount of the quote.

9. Click on the “Submit Response” button.
10. Check to verify that your response was submitted.

L. INSURANCE AND BONDS

Insurance is required to safeguard the City from any claims resulting from damage to property and/or injury to persons caused by the vendor or his actions. The vendor, at his own cost, must secure insurance policies that name the City of Port St. Lucie as an “additional insured” party.

Bidders are required to submit proof of insurance to the City with their Bid Reply Sheet including the types and dollar amounts of coverage they currently maintain. Requirements include:

Indemnification – The Selected Bidder shall indemnify, defend and hold harmless the City, its representatives, employees and elected and appointed officials, from and against all claims, costs, demands, legal fees, costs of action, losses, damages or other expenses arising as a result of any negligent act, conduct, error or omission by the City, its agents, employees in the performance of this contract or occasioned wholly or in part by any negligent act, conduct, error or omission by the Selected Bidder, or its agents, employees or subcontractors, in the performance of this contract.

As consideration for this indemnity provision, the Selected Bidder shall be paid the sum of ten dollars (\$10.00) which will be invoiced and paid prior to commencement of work. The Selected Bidder shall be responsible to provide a separate invoice, which shall be submitted with the signed contracts, or, if a Purchase Order is issued, the Selected Bidder shall remit this invoice with their Insurance Certificates.

(Only to be used on construction type contracts.)

Workers Compensation – The Selected Bidder shall agree to maintain Worker’s Compensation Insurance & Employers Liability in accordance with Florida Statute Chapter 440.

Business Auto Policy – The Selected Bidder shall agree to maintain Business Automobile Liability at a limit of liability not less than \$500,000 each occurrence for all owned, non-owned and hired automobiles. In the event the Bidder does not own any automobiles, the Business Auto Liability requirement shall be amended allowing the Bidder to agree to maintain only Hired & Non-Owned Auto Liability. This amended requirement may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto Coverage form.

Commercial General Liability – Commercial General Liability for public liability during the lifetime of a contract shall have minimum limits of \$1,000,000 per claim, \$2,000,000 per occurrence for Personal Injury, Bodily Injury, and Property Damage Liability. Coverage shall include Premises and/or Operations, Independent Contractors, Products and/or Complete Operations, Contractual Liability and Broad Form Property Damage Endorsements. Coverage shall not contain an exclusion or limitation endorsement for Contractual Liability or Cross Liability. Coverage for the hazards of explosion, collapse and underground property damage (XCU) must also be included when applicable to the work to be performed. All insurance policies shall be issued from a company or companies duly licensed by the State of Florida. All policies shall be on an occurrence-made basis; the City shall not accept claims-made policies. Specific endorsements will be requested depending upon the type and scope of work to be performed.

Professional Liability – The Selected Bidder shall agree to maintain Professional Liability, or equivalent Errors & Omissions Liability at a limit of liability not less than \$1,000,000 Per Occurrence. When a self-insured retention (SIR) or deductible exceeds \$10,000, the City reserves

the right, but not the obligation, to review and request a copy of Bidders most recent annual report or audited financial statement. For policies written on a “Claims-Made” basis, bidder warrants the retroactive date equals or precedes the effective date of this contract. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced; or any other event triggering the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of a Contract, bidder shall agree to purchase a SERP with a minimum reporting period not less than three (3) years. Use with consultants or engineers only.

Additional Insured Requirements – Except as to Workers’ Compensation and Employers’ Liability, said Certificate(s) shall clearly state that coverage required by the contract has been endorsed to include the City of Port St. Lucie, a political subdivision of the State of Florida, its officers, agents and employees as Additional Insured with a CG 2026-Designated Person or Organization endorsement, or similar endorsement, to its’ Commercial General Liability. The name for the Additional Insured endorsement issued by the insured shall read “City of Port St. Lucie, political subdivision of the State of Florida, its officers, employees and agents along with the Contract and Bid number. The Certificate of Insurance shall unequivocally provide thirty (30) days written notice to the City prior to any adverse changes, cancellation, or non-renewal of coverage thereunder. Said liability insurance must be acceptable by and approved by the City as to form and types of coverage. In the event that the statutory liability of the City is amended during the term of this agreement to exceed the above limits, the Selected Bidder shall be required, upon thirty (30) days written notice by the City, to provide coverage at least equal to the amended statutory limit of liability of the City.

Subcontractors – It shall be the responsibility of the Selected Bidder to insure that all subcontractors comply with the same insurance requirements referenced above.

Deductible Amounts – All deductible amounts shall be paid for and be the responsibility of the Selected Bidder for any and all claims under this contract.

Umbrella or Excess Liability – Selected Bidder may satisfy the minimum limits required above for either Commercial General Liability, Business Auto Liability, or Employer’s Liability coverage under Umbrella or Excess Liability. The Umbrella or Excess Liability shall have an Aggregate limit not less than the highest “Each Occurrence” limit for either Commercial General Liability, Business Auto Liability, or Employer’s Liability. When required by the insurer, or when Umbrella or Excess Liability is written on “Non-Follow Form”, the City shall be endorsed as an “Additional Insured”.

Coverage limits will be set at the advice of the Risk Management Department and should not be changed without their approval. The City, by and through its Risk Management Department reserves the right, but not the obligation, to review and reject any insurer providing coverage. The above referenced Insurance Requirements are for use when a contract is utilized or any work will be done on City property.

M. BONDS

Bonds offer tangible protection in the form of monetary assurances that the bidder will meet his obligations. Bonds must be secured by the bidder at his own cost, and generally may be classified as follows:

Bid Bond: This is a document, usually in an amount of 5% of the bid, which guarantees that the bidder will enter into a contract with the City if he wins the award. Bid bonds protect the City from erroneous or deliberate low bids which the vendor has no intention of

honoring. Should he fail to enter into a contract, the bid bond is forfeited. Bid bonds must be submitted with the bid. Bid Bonds are required on construction contracts in excess of \$150,000.

Performance Bond: This bond is a surety instrument guaranteeing that the vendor will perform according to the terms of the contract, and is generally in an amount of 100% of the bid. This bond affords protection from non-performance and non-completion of major contracts, the efforts of which would result in considerable injury to the City. Should the vendor default, the bond is cashed and the City may then utilize the funds to complete the contract with another vendor. Performance bonds are submitted upon award of the contract. Performance Bonds are required for all contracts in excess of \$200,000.00, as per FS255.05.

Cash Bond: In the amount of the bid or contract award.

Letter of Credit: Preferred in the case of certain construction projects or multi-year contracts. Must be irrevocable.

Payment Bond: This bonds guarantees payment of sub-contractors and suppliers providing goods and services to the general contractor, who is under contract to the City. The payment bond relieves the City of financial liens against a project should the general contractor fail to pay his suppliers and sub-contractors. These creditors will look to the bond for payment. Payment bonds are submitted upon award of the contract. (Note: Safekeeping procedures for custody of bonds and bid deposits will be determined by the Finance and Purchasing staff.) Payment bonds required for all projects in excess of \$200,000.00 per FS255.05.

Labor & Material Bond: Same requirements as the Payment Bond.

All bond guaranty may, at the discretion of the City be in the form of a cashier's check, bank money order, bank draft of any national or state bank, certified check, or surety bond, payable to the department. The surety on any bid bond shall be a company recognized to execute bid bonds for contracts as per Florida Statutes.

N. BID OPENING

A sealed bid opening is a formal, official event and should be carried out in a professional, business-like manner. Purchasing staff should be on guard not to make any frivolous, or preferential statements, which might compromise the City's position and the reputation of the Purchasing Division.

Unless conditions demand another site, bids should be opened in the Office of Management & Budget. Bid openings are open to the public and all interested bidders. The bid opening time must be strictly adhered to. Any and all late bids will not be accepted. If presented in person, the bid will not be accepted by the Purchasing staff. If received in the mail or by commercial courier service, the bid will be stamped with the date/time, and returned unopened along with a letter explaining the reason to the bidder by Purchasing staff.

As the bid opening starts, the Purchasing Agent, or official opening the bid should introduce his staff and any City officials present. All present shall sign an Attendance Sheet for record purposes. An announcement that "no award will be made at this time" shall precede the opening of the first bid.

Bids will be opened by the Purchasing Agent or his/her designee and recorded by another member of the Purchasing Staff. As each bid is read aloud, the dollar amount should be repeated clearly twice.

The use of electronic media, including acceptance of electronic signatures and proposal is authorized as long as such system provides for:

1. appropriate security to prevent unauthorized access to the bidding, approval, and award processes
2. accurate retrieval or conversion of electronic forms of such information into a medium which permits inspection and copying.

After the last bid is opened, attending vendors should be advised that an award decision will be made after review of the submitted proposals, and thanked for attending the bid opening. To avoid possible tampering, bids should not be distributed for general investigation by the bidders present. All documents including those revealing the identity of persons who have requested or obtained bid packages, plans, or specifications pertaining to the project will be confidential until the letting of the bid. The bid analysis and monitoring system of the department will also be confidential as per FS 337.168.

Under no circumstances will vendors or the general public be allowed to privately review bids.

O. PUBLIC DISCLOSURE

Under Florida's Public Records Act, any person has the right to review any document which is kept by the City in the course of regular business. However, FS Chapter 119.07,3(m) of this act exempts the City from allowing interested parties to examine sealed bids or proposals as follows:

Sealed bids or proposals received pursuant to invitations to bid or requests for proposals are sealed from the public or other bidders until such time as the City provides notice of a decision or intended decision or within 10 City business days after bid or proposal opening, whichever is earlier.

If the City rejects all bids or proposals submitted in response to an invitation to bid or request for proposals and the City concurrently provides notice of its intent to reissue the invitation to bid or request for proposals, the rejected bids or proposals remain sealed from the public or other bidders until such time as the City provides notice of a decision or intended decision concerning the reissued invitation to bid or request for proposals or until the City withdraws the reissued invitation to bid or request for proposals.

A competitive sealed reply in response to an invitation to negotiate, as defined in s. 287.012, is exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution until such time as the City provides notice of a decision or intended decision or until 20 City business days after the final competitive sealed replies are all opened, whichever occurs earlier.

If the City rejects all competitive sealed replies in response to an invitation to negotiate and concurrently provides notice of its intent to reissue the invitation to negotiate and reissues the invitation to negotiate within 90 City business days after the notice of intent to reissue the invitation to negotiate, the rejected replies remain sealed from the public or other bidders until such time as the City provides notice of a decision or intended decision concerning the reissued invitation to negotiate or until the City withdraws the reissued invitation to negotiate. A competitive sealed reply is not exempt for longer than 12 months after the initial City notice rejecting all replies.

OMB will accommodate vendor telephone requests for bid results to the maximum extent feasible:

1. Provide web site to see bid tab.
2. Provide data management phone number to request tab.
3. As a last resort, offer to read information over the phone.

P. PRELIMINARY SCREENING OF BIDS

Unsigned bids may be considered, if the bidder signs within a time period requested by OMB. After a bid has been opened, no changes in bid prices or other provisions shall be permitted.

Prior to opening of bids a vendor may correct or withdraw his bid. When a mistake is either detected by the Purchasing Division or alleged by the bidder after opening, the bidder should be asked to verify his bid and produce supporting evidence of the mistake. If the bidder responds supporting the mistake, the Purchasing Division may correct the bid if the mistake was an obvious or apparent clerical error. Examples are:

1. Obvious errors in placing decimal points.
2. Obvious discount errors.
3. Error in extension of unit prices.

If the mistake is not an obvious or apparent mistake of a clerical nature, it must be referred to the City Attorney for action.

Q. ALTERNATE BIDS, APPROVED EQUIVALENTS

The bidder may offer any brand for which he is an authorized representative that meets or exceeds the specifications as written. If the bid is based on an “approved equivalent or equal” item, supportive information in the form of the manufacturer’s printed literature or brochures, sketches, diagrams, and/or complete specifications must accompany the bid. The bidder must explain in detail the reasons why the proposed equivalent or equal will meet specifications and not be considered an exception thereto. The City of Port St. Lucie reserves the right to determine acceptance of proposed equivalent or equal items.

If an Invitation to Bid does not expressly permit the submission of alternate bids, a bid which qualifies the specifications should be rejected as unresponsive. However, if a bidder submits a bid conforming to the specification and also offers an alternate, the alternate may be accepted if the bidder is the best value on both bids. Therefore, no prejudice results to the other bidders.

R. ONLY ONE BID RECEIVED

When only one bid is received, the following steps are necessary:

1. Communicate with department to see if bid-opening date is to be extended. The one bid response will be returned unopened if the option is accepted.
2. Inquire of those who did not bid to determine the reason for lack of response.
3. Accept or reject the bid based on information received and taking into consideration the City’s position favoring competition.
4. Accept the bid if time is crucial and cost is reasonable, as the opportunity for competition was afforded by initial competition.
5. Reject the bid if time permits for re-solicitation.

6. Review specifications and bid list, revise if necessary and rebid per regular procedures.
7. OMB may negotiate with the one bidder if the price is over the approved budget or OMB feels it would be advantageous to the City.

S. NO BID

On occasion, the Invitation to Bid will receive no responses. In those cases, these steps will be followed:

1. Extended bid-opening date.
2. Contact all those vendors on bid list to determine reason for lack of response.
3. Contact the user department to determine if rebid is desired, using information obtained from vendor survey.
4. File the closed bid in OMB if decision is made not to rebid.
5. Review specifications and bid list if decision is made to rebid.
6. Revise bid documents where appropriate.
7. Initiate the bidding process per regular procedures.
8. Contact interested vendor or vendors and begin negotiations.

T. WAIVER OF INFORMALITIES

Bids may be defective in that they fail to give certain information requested by the invitation. For example, a bid may fail to furnish required catalogs or descriptive data. These “minor” informalities may be corrected by allowing the bidder to furnish the information prior to award, or by waiving them if time does not permit their correction.

The difference between a minor informality and a failure to conform to the essential requirements of the invitation may be difficult to determine without legal advice. Nevertheless, the decision to allow the defect to be corrected will be judged according to the fundamental principle – Is it in the best interest of the City to do so and will it be prejudicial to the interests of the other bidders.

The City reserves the right to waive any bid informalities when deemed in their best interest.

U. TABULATION OF BIDS

The requirement for recording bids involves the preparation of a Bid Tabulation Report. The information which normally is transcribed on the bid tabulation includes the invitation number, opening time and date, item number, description of items and services, quantity, unit, unit price, bidder’s name and location, deliveries, remarks or any other information which will be helpful in making the evaluation.

The bid tabulation is available on the City’s website or through the City’s Data Management Vendor once an Agenda Request is sent to Council with a recommended award.

V. BID REVIEW

OMB should thoroughly review each bid for compliance with specifications. After review, copies of the tabulation sheet, Bid Reply Sheets, and all pertinent documents such as warranties, brochures etc. should be forwarded to the requesting department of those bids that are in compliance with the bid. The originals will be sent with the council agenda.

The requesting department should thoroughly review each bid for compliance with technical specifications. Bid items not meeting minimum specifications should be rejected. In general, the lowest bid meeting specifications should be awarded the contract, if it provides the best value to the City.

General Criteria for Award: Recommendations for award of bids are made to the City Council based on the best value to the City meeting all conditions and requirements of the specifications.

1. The following criteria will be used to select the bid that will provide the best value to the City:
 - a. Has sufficient financial resources to complete the order.
 - b. Can meet quoted delivery considering all other business commitments.
 - c. Has a satisfactory record of performance.
 - d. Has adequate staffing to fulfill requirements.
 - e. Has the necessary production, technical equipment and facilities (or ability to readily obtain them).
 - f. Has necessary organization experience, operational controls, and technical skills (or ability to readily obtain them).
 - g. Is a manufacturer, supplier, authorized distributor or vendor for the requirement.
 - h. Is otherwise qualified and eligible to receive an award under applicable laws and regulations.
 - i. Has bid within a competitive price range in relation to the needed goods, services or construction.
 - j. The skill and experience demonstrated by the bidder in performing contracts of a similar nature.
 - k. The bidder's past performance.
 - l. Has met all requirements of the solicitation (delivery, quality and price).
 - m. Has met bounds of commonality. Absolute conformity is not required, just substantial or material compliance.
 - n. Has met bid security requirements. Lack of security, where required, is a material nonconformity.
2. Price: The element of price is but one of the criteria elements. When considering a proposal:
 - a. Evaluate the pricing offered by the bidder; consider lifecycle costing, depreciation, and service contracts.
 - b. Determine what proposal provides the best value to the City.
3. Value Added: The amount or dollar value of a service that the bidder may be able to provide the city.
 - a. Value added may be an actual amount given to the City as a signing bonus.
 - b. Value added may be equipment or services given to the City. In this case the value will be determined by the City for the goods or services not the bidder.

Should there be reason not to award to the lowest bidder, the decision must be fully explained in a memo from the requesting department for formal evaluation by Purchasing staff.

Tie Bids: In the event two or more bids are received which are equal with respect to price with no evidence of collusive bidding, preference may be given in the award in the following order:

1. Has a drug-free workplace program in conformance with FSS Chapter 287.

2. Quality
3. Delivery
4. If all items equal, a coin toss will decide award.

Negotiation of Bids: The City reserves the right to negotiate prices with the bidder that provides the best value to the City provided that the scope of work of the solicitation remains the same. The City may terminate the negotiation if unsuccessful and begin negotiations with the next bidder that provides the best value to the City.

Best and Final Offer: The City reserves the right to negotiate with all bidders for the purpose of obtaining best and final offers. Bidders shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals. Any such revisions may be permitted throughout negotiations after submissions and prior to award for obtaining best and final offers. Any revisions to scope or work will be offered to all bidders for the purpose of obtaining the best and final offer. The City at any time during these negotiations may request a “best and final offer” from any or all of the responsive and responsible bidders that submitted proposals. At the date and time established by the City the “best and final offer “ will be provided in a sealed envelope at a public meeting and will follow the same procedure as a formal bid opening.

Rejection of Bids: The City Council shall have the power to reject all bids. The following reasons may be considered causes for rejection:

1. All prices too high or unbalanced.
2. Sufficient funds not budgeted or available.
3. An error in the specification sufficient to have caused confusion and misunderstanding among bidders.
4. The item on which bids were requested is not needed.
5. Lack of adequate competition.
6. Noncompliance of specifications.
7. Submission of more than one bid in response to a single invitation.
8. Lack of adequate work history and/or work experience.

Recommendation of Awards: After their review, the requesting department must forward their recommendation to Purchasing. Provided there is no disagreement, Purchasing will then forward an Agenda Item Request to the department which shall be signed by the department head and returned to the OMB office. OMB will approve and forward to City Manager for approval. City Manager sends to the City Clerk’s office to be placed on the next available meeting’s agenda.

Formal bid awards are made only by the City Council. OMB will post a Notice of Award on the City’s Data Management Vendor System. Bidders are encouraged to attend the Council meeting the date the contract is being awarded. After Council approval of a purchase award, the City Clerk will send a copy of the Council Action to the Purchasing Division, and Finance. OMB will then post the Award on the City’s Data Management Vendor System.

The Purchasing Division or department will prepare a requisition or Purchasing Card order for the award. The Purchasing Division will determine who will prepare the requisition or Visa order.

Bid Files: Purchasing maintains a complete control file on all formal bids for the City. These files are maintained by bid number, with the files divided by fiscal years.

The folder for each bid will contain copies of the following:

1. Vendor's List
2. Bid Invitation
3. Specifications
4. Bids Received
5. Bid Tabulation
6. Agenda Item Request
7. Council Action (Blue Sheet)
8. Requisition and purchase order or Visa order.
9. Contract
10. Bonds

All originals of items will be sent to City Clerk's office with the Council Agenda.

7.02 FORMAL (SEALED) PROPOSALS – REQUEST FOR PROPOSALS

A. PURPOSE OF PROPOSAL

As with bids, the primary action is to ascertain clearly the purpose to be served by the proposal. Proposals are by nature more general than bids, it is vital to provide the correct parameters within which the vendors are to operate. Otherwise, confusion and misinterpretation may result in proposals which do not address the matter in question.

B. PROPOSAL FORMAT

As in the case of bids, a prepared standard format is maintained in the Purchasing Division of OMB for proposals.

Proposal Conditions and Specifications: Conditions and specifications for a formal proposal generally differ from the same items for a bid in the following ways:

Due to the general nature of a Request for Proposal, conditions and specifications may be intermingled rather than separate.

Both conditions and specifications will tend to be broad, allowing the vendors a wide range of options from which to arrive at a proposal which accomplishes the desired goal.

Conditions and specifications serve more as guidelines than strict standards. The object is to allow the vendor's own expertise to design a proposal which will fulfill the City's ultimate specified result.

Conditions and specifications need not be so broad as to promote uninhibited proposals. By establishing boundaries within which to operate, and pointing the vendor toward the direction of the City's goal, the Request for Proposal seeks to elicit the best talents in the market place to fulfill its needs.

C. FORMAL PROPOSAL

The vendor's complete formal proposal should be submitted with one original and in sufficient number to supply each member of the Selection Committee, plus the Purchasing Division, with one copy each.

Proposals should be supplied directly by the vendor as directed in the solicitation using the format and forms available in the "Request for Proposal" document.

D. INSURANCE, BONDS, LETTER OF CREDIT

As in the case of bids, the City may require letters of credit, insurance, and/or bonds to protect its interests. Since these are covered in the previous pages pertaining to "Formal Bids", it will not be duplicated here. Generally, proposals do not require bid bonds.

E. FORMAL PROPOSAL OPENING

The opening should be carried out in a professional, business-like manner as noted in the previous section on bids. Proposals arriving after the opening date and time will be treated in the same manner as late bids.

Restrictions on non-City personnel reviewing the proposals also are the same as with formal bids.

As proposals are opened, the Purchasing Agent, or his/her designee shall announce the name of each vendor, their address, and then confirm the number of proposals submitted. This data shall be recorded by another member of the Purchasing Staff. At this time, no attempt should be made to read or compare the proposals. After all non-City personnel leave, the proposal will be reviewed and verified for compliance. References, certifications, outstanding court status and all requested documents will be reviewed by OMB. Only copies of the proposals that are in compliance will be distributed to all members of the Proposal Selection Committee; with one copy of each proposal maintained in the Purchasing file.

F. PROPOSAL REVIEW

Proposals may be reviewed by the requesting department or by a Selection Committee. The committee approach is often chosen when dealing with complex projects requiring input from various departments. The committee members will be selected by OMB and the project manager. If the committee approach is selected then the Purchasing Staff of OMB will act as Chair of Selection Committee, facilitate meetings, prepare recommendations for the top ranked firms, negotiate and prepare final contract documents. All committee meetings will be advertised and open to the public. OMB will record and document all committee meetings.

When price is the primary consideration, the lowest bidder whose proposal meets the specifications and provides the best value to be city should be chosen. However, when price is not the primary consideration and design, quality, or other factors are paramount the decision must be formally documented by the department or committee.

As in the case of bids, the City reserves the right to negotiate prices and scope of work as covered in the previous pages pertaining to "Formal Bids", it will not be duplicated here.

G. RECOMMENDATION OF AWARD

After their review, the requesting department must forward their recommendation to Purchasing. Provided there is no disagreement, Purchasing will then forward an Agenda Item Request to the department which shall be signed by the department head and returned to the OMB office. OMB will approve and forward to City Manager for approval. City Manager sends to the City Clerk's office to be placed on the next available meeting's agenda.

Formal bid awards are made only by the City Council. OMB will post a Notice of Award on the City's Data Management Vendor System. Bidders are encouraged to attend the Council meeting the date the contract is being awarded. After Council approval of a purchase award, the City Clerk will send a copy of the Council Action to the Purchasing Division, and Finance. OMB will then post the Award on the City's Data Management Vendor System.

SECTION VIII
SPECIFICATIONS

8.1 SPECIFICATIONS

A good specification describes the commodity or service required in terms clearly understandable to both the seller and the buyer.

A. SPECIFICATION DEVELOPMENT

In considering and developing specifications, it must always be remembered that expenditures of the City of Port St. Lucie are derived from public sources and cannot be expected to provide for unwarranted levels of quality. Therefore, the general policy of purchasing good, standard grades of merchandise, which represent an optimum of quality and price and provide a satisfactory level of service will be followed.

B. PURPOSE OF SPECIFICATIONS

Bids and quotations will be based on concise but adequate specifications. A lengthy specification composed or designed solely for the purpose of eliminating competition other than those able to supply a particular brand name will not be used. Specifications shall be detailed only to the extent that they assist the purchaser in obtaining the best value, provide a basis for full and fair competitive bidding upon a common standard, and should be free from any restrictions which would have the effect of restricting competition.

C. TYPES OF SPECIFICATIONS

Below are the basic types of specifications used to describe what is to be purchased:

1. Performance – Specifications which describe the characteristics and capabilities that are pertinent to the intended use of the item. This specification is less concerned as how a product is made, and more concerned as to how well it performs, and at what cost.
2. Design – Specifications which employ dimensional and other physical requirements of the item being purchased. This type specification concentrates on how a product is to be fabricated or constructed and is used when a structure or product has to be specially made to meet the purchaser's unique need.
3. Approved Products List – Specifications based on manufacturer's names, brand names, and model or catalog numbers which have been tested or examined and approved, prior to seeking prices.
4. Sample - Specifications requiring the suppliers to furnish representative samples of products offered for the purchaser's comparison and evaluation is determining the successful bidder.

5. Name Brand “Or Equal”- Specification wherein the exact product of one or more suppliers or typical workmanship is designated as the level of quality desired, and the purchaser reserves the right to approve any other as equal or acceptable.

D. RECOMMENDED PRACTICES

The following guidance is provided for the preparation of a specification.

1. State exactly what is wanted clearly, definitely and completely.
2. Provide the means or basis for testing deliveries for conformance with the specifications. Without this check, the specification loses much of its force as a purchasing tool.
3. Avoid non-essential quality restrictions that add to cost and difficulty in procurement without adding to utility and value.
4. Avoid definitions that unnecessarily restrict competition.
5. Conform, so far as possible, to establish commercial and industrial standards.
6. State what you want the good of service to do or provide.
7. State what the good or service will be used for.
8. State any particular concerns for the item or project.

SECTION IX

CONTRACTING FOR PROFESSIONAL SERVICES

In order to comply fully with the requirements of Section 287.055, Florida Statutes (“Consultants Competitive Negotiation Act”), the following procedures shall be followed in selecting firms to provide professional services, and in negotiating contracts for professional services:

9.01 DEFINITIONS

- A. “PROFESSIONAL SERVICES” means those 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 in connection with his professional employment or practice.
- B. “CITY” means City of Port St. Lucie
- C. “FIRM” means any individual, firm, partnership, corporation, association, or other legal entity permitted by law to practice architecture, engineering or surveying in the state.
- D. “COMPENSATION” means the total amount paid by the agency for professional services.

9.02 PUBLIC ANNOUNCEMENT AND QUALIFICATION PROCEDURES

- A. At such time when deemed necessary by the City, the Purchasing Division of OMB shall cause a legal advertisement to be published in a newspaper of general circulation within St Lucie County setting forth a general description of the project requiring professional services and defining procedures on how interested professional firms may apply for consideration by the City. In addition, a notification of the project will be sent to each certified firm which has expressed an interest in being notified.
- B. Statements of qualifications and performance data shall be submitted and supplemented by other information if specifically requested by the City’s Request for Proposal document.
- C. To enhance and expedite capital projects and upon written recommendation by the city manager, the purchasing agent by competitive process may establish a select list of firms by discipline for professional services. City council shall award to the bidders whose proposal provides the best quality of service for each discipline. The goal is to obtain 3 or 5 professional service firms that are equally qualified for each discipline. Contracts will be established for each firm for each discipline. These contracts will be titled and known as “Master Contracts” .The purchasing agent will select from these Master contracts firms for projects as needed. OMB will negotiate with the firm. OMB may terminate negotiations with the firm and begin negotiations with the second firm if proposal is over budget or not in the City’s best interest. Projects for under \$1,000,000.00 and with city manager approval will not require council approval if budget has been approved. Any project over \$1,000,000.00 will require additional city council approval. The purchasing agent will establish written procedures for this partnering venture. The procedures shall be approved by the city manager.

9.03 COMPETITIVE SELECTION – GUIDELINES

- A. All RFP's for Professional Services shall be processed through the Purchasing Division of OMB.
- B. Formal RFP's must be issued to secure professional services, when the fee for a planning or study activity is estimated to exceed \$25,000 or for a project the basic construction cost of which is estimated to exceed \$250,000.
- C. All contracts for professional services which exceed \$25,000 must be approved by City Council unless the firm is established using the Master Contracts.
- D. Contracts for services must be accompanied by a purchase order or Purchasing Card order. Payments shall be issued against said order with proper authorization.

9.04 COMPETITIVE SELECTION – PROCEDURES

- A. A Selection Committee shall be formed to evaluate all proposals. OMB and the City's Project Manager should propose the names of three to five City employees to serve on the Selection Committee based on their expertise in relation to the scope and execution of the project to be awarded. At least one of the employees should be from the using department. The remaining members should consist of employees chosen from departments which would enhance the committee's makeup. An OMB representative shall be an actual or ex officio member of all Selection Committees, and shall monitor all Committee activities and act as the committee Chair.
- B. A "Conflict of Interest Form" should be filled out by each Committee member at the first meeting. See Exhibit "7".
- C. Minutes of each Committee meeting, Conflict of Interest Forms, and scoring sheets are to be completed by OMB. OMB will facilitate the meeting and make sure all legal requirements are met. OMB is responsible for preparing recommendations of the top ranked firm and of the preparation of the final contract documents. All originals are to be sent to City Clerk with Agenda Award.
- D. The Selection Committee should develop general guidelines for interview procedures for the short listed firms. Interviews and/or presentations shall be optional, as determined by the Selection Committee.
- E. Each member of the Selection Committee will assign preliminary scores to each firm after review of proposals and interviews, as per the established criteria in the bid specifications.
- F. The Selection Committee shall discuss their general impressions of the firms and finalize their scores.
- G. Recommended criteria for evaluation of proposals include:
 - Prior experience with projects of similar size and complexity
 - a. Number of similar projects
 - b. Complexity of similar projects
 - c. Three references (Contact name & telephone number)

Past record of performance for the City

- a. Project name, dates, cost
- b. City personnel assigned to the project

Qualifications of personnel including sub consultants

- a. Number of technical staff
- b. Qualifications of technical staff
- c. Number of licensed staff
- d. Education of staff
- e. Experience of staff

Availability of personnel

- a. Current work load/staff participation
- b. Organization of the team

Proximity of the nearest office to the project location

- a. Location
- b. Number of staff at the nearest office

Financial Statements

Technical approach to perform the tasks described in the Scope of Services

- a. Level of effort
- b. Effectiveness of the technical approach to complete each phase of the project, maintain time schedules and cost control.

Whether the firm is a certified minority business enterprise as defined by the Florida Small and Minority Business Assistance Act of 1985.

9.05 COMPETITIVE NEGOTIATION

- A. After finalists' ranking OMB and the Project Manager, and other designated City staff (if required), shall negotiate a contract for professional services with the firm which has been determined to be most qualified by the Competitive Selection Committee, at compensation within a range which has been determined to be fair, competitive, reasonable, and within budget. For any lump-sum or cost-plus-a-fixed-fee contracts over \$150,000, the City shall require the firm receiving the award to execute a truth-in negotiation certificate as required in Section 287.055 (5) (a), Florida Statutes.
- B. Should OMB be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, at a price the City determines to be fair, competitive, and within budget, negotiations with that firm shall be formally terminated. After negotiations have been terminated with a firm, negotiations cannot be reopened at a later date. OMB shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, OMB shall cancel negotiations. OMB shall then undertake negotiations with higher ranked firms should they express flexibility in the negotiated price.
- C. Should OMB be unable to negotiate a satisfactory contract with any of the selected firms, additional firms shall be selected in accordance with procedures noted above. Negotiations shall continue in accordance with these procedures until agreement is reached.

- D. Unless otherwise required, a lump sum contract shall be designated as the preferred form of contract for professional services contracts.

9.06 LESS THAN THREE FIRMS

In the event less than three (3) firms express an interest in a project or less than three (3) firms are deemed qualified by the Competitive Selection Committee, then the City Manager shall make a determination as to whether to proceed with the lesser number of firms. If the decision is to re-advertise, and after subsequent advertisement, three (3) firms still cannot be qualified, then the City shall proceed hereunder with the firms qualified.

9.07 PROHIBITION AGAINST CONTINGENT FEES

Each contract for professional services shall contain the prohibition against contingent fees required by and set forth in Section 287.055 (6) (a), Florida Statutes.

9.08 SMALL CONTRACTS

- A. The foregoing procedures shall apply in all cases except those in which the fee for professional services is estimated to be \$25,000 or less for planning or study activity, or when the construction cost of the project is estimated to be \$250,000 or less (Section 287.055 (4) (c), Florida Statutes.)
- B. When this occurs, the procedure shall be:

The Project Manager, in cooperation with the Director of the Office of Management and Budget shall select a known responsible firm and request that they submit a proposal.

Should the proposal appear to be excessive, another firm shall be requested to submit a proposal. The procedure shall continue until a proposal is received that is acceptable.

9.09 EMERGENCIES

In the event of bona fide public emergencies declared by the City Council, compliance with some or all of the provisions of this procedure or Section 287.055, Florida Statutes, may be waived by the City Manager.

9.10 INCONSISTENCY WITH SECTION 287.055, FLORIDA STATUTES

To the extent of any inconsistency between these regulations and Section 287.055, Florida Statutes, the provisions of the Florida Statutes shall prevail.

SECTION X

CONSTRUCTION CONTRACTS

In general, contracts for construction of major City projects are obtained through the Formal (Sealed) Bid process. All procedures as previously noted in Section 7 – “Bids and Proposals” should be followed.

Construction projects between \$1,000.00 and \$25,000.00 in cost may be processed via the City’s Quote Wire System. Sealed bids are required for all construction projects over \$25,000.00 in cost.

Due to the complexity and cost involved, these projects warrant special treatment. Special areas of consideration are as follows:

10.01 BID PREPARATION

The entire bid package (excluding the standard format) is assembled and provided to the Purchasing Division of OMB in electronic format by the requesting department or contracted engineer. A Sealed Bid Request completed and signed, must accompany specifications and plans. (See Exhibit 8) It is the responsibility of that department or engineer to insure that all terms, conditions, plans (including blueprints), and specifications are complete and accurate. It is also their responsibility to submit bid plans and specifications to the Building, Engineering, Planning and Utilities Departments for approval prior to releasing them to the Purchasing Division.

Purchasing will review and add the City standard language that is appropriate for the bid. Purchasing will distribute draft bid specifications with a bid sign off sheet to the requesting department, Finance, Risk Management, Legal, Building, Engineering and Utilities. After receipt of the bid review sign off sheets any corrections will be made to bid specifications. Purchasing then will coordinate with requesting department all bid scheduling requirements.

10.02 ANNOUNCEMENT OF BIDS

Due to the contractor’s desire to share in large dollar projects, interest in construction projects is generally high. To assure the greatest degree of competition, all of the following must be used to announce the bids:

A. NEWSPAPER ADS

Legal ads are a reliable method of attracting interested bidders, while also dispelling any criticism of bids only going to favored contractors. Such methods include publication in newspapers of general circulation, electronic or paper mailing lists, and web site (s) designated and maintained for that purpose. For this reason, they are required to be posted in a newspaper of general circulation in St. Lucie County. Legal ads are placed by the Purchasing Division in a local newspaper.

Legal ads will briefly state the name of the project, location, nature of work required, bid opening date and time, pre-bid date and time, and location where bid specifications may be obtained. They must be posted twice prior to the bid opening date. The City’s ordinance provides that the first advertisement must be at least ten days prior to the bid opening date. A copy of the advertisement is to be posted in the bulletin board located in the City Hall lobby. *If the cost is more than \$200,000, it has to be advertised at least 21 days prior to the opening and at least 5 days prior to a pre-bid conference. If the cost is more than \$500,000, it must be advertised at least 30 days prior to the opening, and at least 5 days prior to a pre-bid conference. All Bid notifications are also posted on the City’s website www.cityofpsl.com.*

B. MAILINGS TO INTERESTED CONTRACTORS (BIDDERS LIST)

The primary contacts for construction bids are those firms which have previously done work for the City or expressed a desire to bid. The requesting department should list firms, with fax numbers and email addresses that they want to receive a copy of bid notification.

Additionally, Purchasing may contribute firms which are listed in various reference sources, including: Thomas Register, Municipal Index, Yellow Pages, Blue Book, etc.

A notification of the bid proposal will be distributed via fax or email to all vendors listed with the designated commodity by the City's vendor Data Management Company.

C. PLAN ROOMS

Purchasing is not obligated to mail out or hand delivery to plan rooms. Plan rooms have the same access as the vendors to the City's Vendor Data Management Company or the City's web page.

10.03 PRE-BID CONFERENCE

For certain complicated construction projects, a Pre-Bid Conference is held. Should a Pre-Bid Conference or site visit be required for a project, all advertisements must clearly state the date, time and location.

10.04 BONDS

Any person entering into a formal contract with the city for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work for \$200,000 or more, shall be required to have a Bid, Performance and Payment Bonds. At the discretion of the Purchasing Agent, any person entering into such a contract which is for \$200,000 or less may be exempted from executing the bonds. In the event such exemption is granted, the Purchasing Agent shall not be personally liable to persons suffering loss because of granting such exemption.

In lieu of the bond required by this section, a contractor may file with the state, county, city, or other political authority an alternative form of security in the form of cash, a money order, a certified check, a cashiers check, an irrevocable letter of credit, or a security of a type listed in Part II of Chapter 6.25. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bond required by this section. The determination of the value of an alternative form of security shall be made by the appropriate state, county, city, or other political subdivision.

10.05 SALE OF PLANS

Bid packages, including plans and blueprints, are generally sold to interested contractors by the City's Data Management Vendor. Bid packages may be sold by the Purchasing Department for the charge as per FS 119.07 (1)(a) or the same price as the City's Data Management Vendor, whichever is higher.

Plans may be picked up in the Purchasing Department for the bidders to have copies made. All plans must be returned to the same office in a timely manner. The Purchasing/Administrative Secretary is responsible for collecting payment for any plans or bid packages picked up from OMB. Any firm obtaining information from OMB must leave company name, address, phone number, fax number and a contact person so they may be added to the Bidder's list. This procedure assures Purchasing of a complete list of bidders for any addenda's which may be issued.

10.06 BID OPENING

Revised 02/12/09

Due to the generally high dollar cost of construction projects, the bid opening must be handled very seriously and in a highly professional manner. No bids will be accepted after the opening date and time.

The Purchasing Agent or his/her designee is in charge of the bid opening, with a member of the Purchasing staff recording the results of each bid.

Procedures noted in the “Section XII Bids and Proposals” must be followed. Care should be taken to prevent non-city personnel from tampering with or reviewing the bids at this time. Anyone requesting copies of bids should be requested to return at a later date.

10.07 BID REVIEW AND AWARD

To allow a thorough bid review by the originating department, Purchasing will make copies of all pertinent pages from each bid. Included would be the contractors Bid Reply Sheet, bid bonds, and any pages referencing substitutions or changes to the bid document.

After the originals are secured in the bid file, and Purchasing has made a through review for bid responsiveness, the requesting City department will be forwarded the bid copies for their review.

In some cases, review of bids may be performed by a contracted Architectural/Engineering firm. Copies of all bids must then be provided to both the requesting department and the A/E Consultant.

The contract award should generally be made to the bidder meeting specifications that provides the best value to the City.

The Purchasing Agent or his/her designee will then review the award. If in agreement, he then forwards the Agenda Item Request and all pertinent documents to the department for the department head signature. The department returns the signed Agenda Item Request to Purchasing. The Purchasing Department forwards to the City Manager in sufficient time for the next available Council meeting.

10.08 FORMAL CONSTRUCTION CONTRACT

Due to the complex nature and duration of construction projects, formal construction contracts are prepared and issued to all parties. The Purchasing Division of OMB is responsible for preparation and execution of the contract.

The formal construction contract is based on the bid document and plans. The contractor must provide all required licensing, insurance, and bond documentation to the Purchasing Division of OMB.

10.09 CONSTRUCTION MASTER CONTRACTS

For market advantage and upon written recommendation by the city manager, the purchasing agent by competitive process may establish a select list of firms to purchase any good, supplies, equipment, materials, construction services or other services. City council shall award to several bidders to establish “Master Contracts” for different and varying trades. The goal is to have 3 to 5 qualified firms for each trade. A Master Contract will be established for each firm for each trade advertised. OMB will purchase from these firms for projects under \$1,000,000.00 that have council approved budgets. Any project over \$1,000,000.00 will require additional city council approval. OMB may require proposals from each firm for the good or service needed or may determine it is best for the City to start negotiation with only one firm. OMB may negotiate with several firms at one time and request a “Best and final Offer” if deemed in the best interest of the City.

SECTION XI

DISPOSAL OF SURPLUS PROPERTY

11.01 DEFINITIONS

- A. **Surplus Property** – City owned property which has reached the end of its useful life or has become obsolete in City service.
- B. **Confiscated Property (Forfeiture)** – Private property seized by the Police Department and subsequently titled over to the City.
- C. **“Lost & Found” Property** – Private property located by or turned in to the Police Department for custodial safekeeping until the owner is located or until a time deadline expires.
- D. **Scrap** – Damaged, spent, or otherwise unusable equipment, parts, or materials whose only value lies in recycling of its component parts or materials.

11.02 PROCEDURE FOR SURPLUSING OF PROPERTY

- A. When a department wishes to surplus any City-owned property, they must first complete the proper documentation. The proper form is the “Request to Relinquish Surplus”.
- B. Completed forms for non-vehicle surplus items must be forwarded to the Purchasing Division. For vehicles, forms must be submitted to the Vehicle and Equipment Coordinator in the Finance Department.
- C. Upon receipt of forms in OMB, the property listed will be assessed to determine where storage should take place. Generally, vehicles will be surrendered to the City garage, while all other surplus will be picked up by Building Maintenance and delivered to a storage facility.
- D. The Purchasing Division will, on a regular basis, circulate a listing of surplus items to all City departments. If in need of any item(s), the departments may request a transfer via memo to purchasing.
- E. Should surplus items remain unclaimed by the date of the next City auction, all items will be sold to the highest bidder.

11.03 METHOD OF SALE

- A. Generally, all surplus, confiscated, and “lost and found” property will be disposed of via public auction.
- B. Unless requested by City authorities, items will be sold “as is” to the highest bidder. The City will contract with a professional auctioneer, who will conduct auctions and collect all proceeds. Purchasing staff will supervise the activities of each auction.

Auctions shall be advertised twice prior to the actual sale date in a newspaper of general circulation in the Port St. Lucie area. In addition, advertising may take place via

auctioneer's mailing list, other newspapers, National Auction Bulletin, or other means at the discretion of the Purchasing Division of OMB.

- C. Should attempts to sell surplus or scrap items fail, the Director of the Office of Management and Budget may (at his discretion), declare the items as worthless and authorize their discard.

Documentation of items for "discard" status must be prepared by Purchasing staff and signed by the Director of the Office of Management and Budget, and attached to the Request to Relinquish Surplus form for each item or lot of items.

- D. Upon authorization of the Director of OMB, the City may contribute items to non-profit organizations.

Documentation of contributed items must be noted on or attached to the "Request to Relinquish Surplus" form for each item or lot of items and signed by the Director of the Office of Management and Budget

11.04 AUCTION DUTIES

A. PURCHASING

Purchasing Division shall have overall responsibility for coordinating the efforts of City staff and the contract auctioneer during the preparation and conduct of the auction sale.

- Supply list of items to be auctioned to auctioneer.
- Transfer of vehicle titles to buyers, including notarizing

B. BUILDING MAINTENANCE

Provide labor to assist in placement of equipment and miscellaneous surplus items on day of sale. Staff will also assist buyers with loading purchases onto their vehicles.

C. POLICE DEPARTMENT

1. Provide security and traffic control (if needed) on auction day. On day of sale, officers shall report to Purchasing staff in charge of supervising the auction.
2. Officers shall support Purchasing staff if it is necessary to spot-check buyers leaving the auction site, to assure that they have "paid" receipts for articles being removed.
3. Advise Vehicle and Equipment Coordinator when confiscated vehicles having clear titles are ready for auction.

D. VEHICLE AND EQUIPMENT COORDINATOR

1. Complete, sign, and submit to Purchasing a Vehicle/Equipment control memo listing each vehicle (titled to the City of Port St. Lucie) to be surplus for sale. (NOTE: Vehicles must be titled to be sold.)
2. A preliminary list of vehicles and equipment, having clear title and ready for sale at auction, is to be given to Purchasing at least six (6) weeks prior to the sale. The final list to be given to the Purchasing Division one (1) week prior to sale.

3. Submit clear title for each vehicle to Purchasing. Titles should be submitted at least one week prior to auction.
4. Provide uniformly tagged keys for all vehicles to Purchasing Division one day prior to auction. Keys shall be provided in a key lock type container for safekeeping.
5. On advice from the coordinator, clean vehicles approximately one week prior to sale.
6. Transport all vehicles to auction site, and arrange vehicles according to auctioneer's layout. Transport shall include towing for all vehicles not able to move under their own power (ex. inoperable cars, trailers, boats, etc.)
7. Provide qualified personnel with jumper cables to assist with emergency starts on day of auction. The person chosen for this responsibility will lock up the Public Works compound at the completion of the auction.

E. PUBLIC WORKS

1. Public Works will be responsible for securing all vehicles and equipment in a manner which will prevent interference with the auction, and/or damage or theft.

F. AUCTIONEER

Auctioneer shall be responsible for conducting actual auction sale, including receipt of all payments and issuance of "paid" receipts for release of items sold. (Titles and keys for vehicles shall be released by Purchasing upon submittal of "paid" receipt).

1. Prepare, print, and mail Auction fliers to their "mailing list" of interested parties.
2. Provide to Purchasing Division a draft of the "Sale Catalog" prior to preparing copies for buyers, so that Purchasing staff can review for correctness and advise auctioneer of any necessary changes. One day prior to auction date, a minimum of two (2) copies of the finalized "Sale Catalog" should be given to Purchasing staff.
3. At least two (2) days prior to auction date, provide to Purchasing a minimum of two (2) copies of auction site layout preference, detailing the arrangement of vehicles, equipment, and palletized items.

SECTION XII

VENDOR RELATIONS

It is suggested that all vendors desiring to sell goods and services to the City make application with the City's Data Management Company, contacting the City's Vendor Data Management Company.

Vendors may make application by accessing the City's web page @ www.cityofpsl.com

12.01 BIDDER'S LIST

- A. The Bidder's list is maintained by the City's Vendor Data Management Company
 - 1. Name and address of vendor
 - 2. Name, Fax, email address and telephone number of contact person
 - 3. Class/Item number of commodities sold and/or services provided.

- B. The Vendor List maintained by the Finance Department is used for disbursement of funds and is not associated with the Bidder's List maintained by the Purchasing Division.

12.02 COMPLAINTS AGAINST VENDORS

- A. All complaints concerning vendor performance shall be directed to the Contract Administrator in the Purchasing Department. The Administrator will investigate any charges against a vendor and shall take whatever action is warranted to correct the problem. An example of a performance complaint is failure to deliver goods and/or services as outlined in an Invitation to Bid. Appropriate action might be cancellation of bid award, liquidated damages, or some other punitive damages.

12.03 VENDOR RELATIONS

A. INTRODUCTION

The City of Port St. Lucie strives to maintain strong enduring relationships with vendors of proven ability and desire to meet our needs. To accomplish this, our purchasing activities will be conducted so that vendors will value our business and make every effort to furnish our requirements on the basis of quality, service and price. The relationship between the purchaser and seller is one of mutuality. No contract that proves unsatisfactory to the vendor can be regarded as satisfactory to the buyer.

The City will buy only from suppliers who have adequate financial strength, high ethical standards, and a record of adhering to specifications, maintaining shipping promises and giving full measure of services. New sources of supply will be given due consideration as multiple sources of supply are necessary to ensure availability to materials and promote competition.

It is essential to develop and maintain goodwill between the City of Port St. Lucie and its suppliers. The reputation of the City can be promoted by:

- 1. Giving all salespersons a full, fair, prompt and courteous hearing.
- 2. Keeping competition open and fair.
- 3. Keeping specifications fair and clear.

4. Cooperating with the seller and considering their difficulties in providing the service or products.
5. Having consistent buying policies and principles.
6. Observing strict truthfulness in all transactions and in correspondence.
7. Respecting the confidence of the salespersons or their company as to confidential information.
8. Keeping free from obligation to any vendor.

B. ETHICAL CONSIDERATIONS

In any consideration of public responsibilities, there must be understanding and agreement with reference to the ethics of public purchasing. These concepts are expressed by the Florida Association of Public Purchasing Officers, Inc., Code of Ethics, which obligates every procurement official to an unquestionable standard of ethics and conduct (See Exhibit 6).

C. INITIAL VENDOR CONTACT

New salespeople are to be directed to OMB. The Purchasing Division staff shall explain the purchasing procedures to each salesperson and provide information of how to be included on the vendor's list.

D. DEPARTMENT CONTACT WITH VENDORS

In the day-to-day conduct of their duties, departmental employees are often in contact with potential vendors and suppliers. While it is sometimes desirable for employees to be in a position to recommend certain products, no department shall attempt to place orders with vendors except as described in this manual.

E. DOING BUSINESS WITH ONE'S AGENCY

No employee of the City acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for the City from any business entity of which the officer or employee of the officer's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer's or employee's spouse or child, or any combination thereof has a material interest.

No public officer or employee of the City shall have or hold any employment or contractual relationship with any business entity that is doing business with the City. An officer or employee shall not have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her interest and those of the City.

The City may conduct business with an employee's spouse or child as long as that employee is not directly or indirectly involved in the purchase, rent, or lease any realty, goods, or service and the employee is not an officer or member of the business entity and is not directly benefiting from the transaction. The City may not spend more than \$999.99 per fiscal year with any business entity that is an employee's spouse or child unless the City's competitive process has been followed.

F. ADDITION, DELETION AND REINSTATEMENT OF BIDDERS AND VENDORS TO THE BIDDER'S LIST

Potential vendors/contractors may apply to be placed on the City's Bidders List by contacting DemandStar.com by calling 800-711-1712 or sign up on line at their web site www.demandstar.com. These lists are categorized utilizing the National Institute of Governmental Purchasing Commodity/Service Code System.

The City may not accept proposals from firms, that have had adversarial relationships with the City or firms that have represented entities that have had adversarial relationships with the City. This includes the firm, employees and financial or legal interests.

City Manager has full discretion to debar or suspend any vendor without cause.

CITY OF PORT ST. LUCIE
PURCHASING POLICIES AND PROCEDURES MANUAL
INDEX OF EXHIBITS

Exhibit 1	Accounts Payable Slip
Exhibit 2	Purchase Order Terms and Conditions
Exhibit 3	Agenda Item Request
Exhibit 4	Change Order Request Form
Exhibit 5	Drug Free Workplace Form
Exhibit 6	Code of Ethics
Exhibit 7	Conflict of Interest
Exhibit 8	Sealed Bid Request
Exhibit 9	Contract Sign-Off Sheet & Requisition
Exhibit 10	Visa Fax Order Form

CITY OF PORT ST. LUCIE
ACCOUNTS PAYABLE SLIP

Date:	Vendor Name:		Vendor Number:	
Date Due	P.O. #	Approved		Date
Fund-Division-Line Item-Project #		Amount		Voucher #
Fund-Division-Line Item-Project #		Amount		Voucher #
Fund-Division-Line Item-Project #		Amount		Voucher #
Fund-Division-Line Item-Project #		Amount		Voucher #
Fund-Division-Line Item-Project #		Amount		Voucher #
Remarks/Instructions				

CITY OF PORT ST. LUCIE
ACCOUNTS PAYABLE SLIP

Date:	Vendor Name:		Vendor Number:	
Date Due	P.O. #	Approved		Date
Fund-Division-Line Item-Project #		Amount		Voucher #
Fund-Division-Line Item-Project #		Amount		Voucher #
Fund-Division-Line Item-Project #		Amount		Voucher #
Fund-Division-Line Item-Project #		Amount		Voucher #
Fund-Division-Line Item-Project #		Amount		Voucher #
Remarks/Instructions				

Exhibit 1

THIS ORDER IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS, WHICH MAY NOT BE CHANGED EXCEPT AS EXPRESSLY AGREED IN WRITING SIGNED BY BUYER.

SHIPPING AND BILLING INSTRUCTIONS

1. Unless otherwise specified on the face of this Purchase Order or Visa Order all deliveries are for "inside delivery."
2. Seller shall notify Buyer of deliveries that require special handling and/or assistance for off-loading. Failure to notify Buyer concerning this type of delivery will result in billing to Seller of any resulting re-delivery, storage, or handling charges.
3. Transportation Charges on all shipments must be fully prepaid by Seller. All shipments are FOB Destination, title transfer will take place at delivery site. If Purchase Order authorizes addition of freight to invoice, Seller must attach a copy of the prepaid Freight Bill when rendering invoice. C.O.D. shipments will not be accepted.
4. If Purchase Order authorizes addition of freight to Invoice, Seller is expected to make complete shipments in accordance with Purchase Order schedule. Any increase in freight cost resulting from unauthorized split shipments will be born by Seller.
5. Unless otherwise specified on the face of this Purchase Order all deliveries are to be made during the hours 8:00 a.m. to 3:00 p.m. Monday thru Friday, excluding holidays.
6. All shipments must be accompanied by a Packing List containing: the Seller's Packing List Number, the Buyer's Purchase Order Number or Visa account number and an itemized description of items shipped.
7. When multiple shipments are required to complete this order the final shipment must be so indicated on the Seller's Packing List and Invoice.
8. Seller shall render separate Invoices for each Purchase Order or Visa Order and each delivery. All Invoices in addition to containing the Purchase Order Number or Visa Account Number should refer to the Seller's Packing List Number.
9. Invoices shall specify cash discounts. The payment period shall be calculated from the date acceptable Invoices are received or the date goods are received, whichever last occurs. Penalties will not be paid.
10. Cities are exempt from federal excise tax, transportation tax and state sales tax. Do not include these taxes in your invoice. Exemption Certificate will be signed upon request.
11. Invoice or Invoices will not be paid until all item(s) on this Purchase Order are received in full, unless prior approval for partial payment has been made and is indicated on the face of this Purchase Order.
12. Seller shall mail Invoice to: City of Port St. Lucie, Finance Department, 121 S.W. Port St. Lucie Blvd., Port St. Lucie, FL 34984-5099.

Exhibit 2

CONDITIONS

1. **PRICE.** Unless otherwise specified, prices shall be F.O.B. delivery point; shall be invoiced as specified herein, and shall include all customs duties and applicable taxes. If price is not stated in this Order, Seller agrees that goods or services shall be billed at price last quoted, or billed at prevailing market price, whichever is lower. Payment will be made only in accordance with this Order.
2. **QUANTITY.** The specific quantity ordered must be delivered in full and not be changed without the Buyer's consent in writing. Any unauthorized quantity received is subject to Buyer's rejection and return at Seller's expense. No allowances for trade practices will be accepted unless expressly agreed to by Buyer in writing.
3. **PACKING.** Seller will pay all charges for containers, crating, boxing, bundling or dunnage, unless stated herein. The Seller agrees to assume and pay all extra expense accruing because of improper packing.
4. **DELIVERY.** Time is of the essence of this contract. Seller is hereby advised that Buyer may become liable to others if Seller fails to deliver goods and services of the quality and quantity specified herein, at the times specified herein. In addition to its other remedies for Seller's failure to make sufficient progress in the work to endanger timely delivery, Buyer may require Seller to ship the goods by any means of transportation Buyer specifies and any additional costs for such transportation services shall be paid by Seller. In addition to its other remedies for Seller's failure to deliver on time, Buyer may refuse to accept and pay for any late delivery of any goods or services. Seller shall bear the risk of loss or damage for all goods until actual receipt and acceptance thereof by Buyer. Goods shall be delivered free of all liens of third parties. Seller waives all rights in liens in any property arising from its performance under this order.
5. **ASSIGNMENT.** Seller shall not delegate, sublet or subcontract any duties nor assign any rights or claims under this Purchase Order without the prior express written consent of the Buyer. Failure to comply with the provisions in this paragraph shall affect, at the option of the Buyer, a cancellation of the Buyer's obligations hereunder.
- 6a. **TERMINATION FOR CONVENIENCE.** Buyer shall have the right at any time to terminate or to suspend this contract, in whole or in part for Buyer's convenience, by mailing written notice to Seller. In the event of such termination or suspension Buyer will make an equitable payment to Seller provided that Seller is not then delinquent in its performance to Buyer. In no event will such payment exceed the total price herein. Buyer may terminate or suspend this contract for its convenience whether or not its contract has been terminated or suspended by others.
- 6b. **TERMINATION FOR DEFAULT.** Buyer may by written notice of default, mailed to Seller, terminate this contract in whole or in part (1) immediately for failure of Seller to deliver the goods or to supply the services within the time specified herein; (2) for failure of Seller to perform any of the provisions of this contract; or for failure of Seller to make sufficient progress in the work for this Order so as to endanger in Buyer's opinion the timely and proper performance of Buyer's contractual obligations to others; (3) because of defects in supplies, workmanship or quality, or because services or products furnished are not in accordance with approved samples of specifications issued in connection herewith, or if performance by Seller is prevented by causes beyond Seller's control, or if Seller fails to comply with the other terms and conditions of this order, or if Seller is bankrupt, insolvent or has a receiver appointed for it; however, under (2) above termination shall occur only after Seller's failure to cure such default within seven days after receipt by Seller of such notice.
7. **REJECTION.** Buyer shall have a reasonable period of time after receipt to inspect goods and services supplied and to reject (in whole or in part), or to retain (in whole or in part) subject to a claim for damages, such goods and services as are in its judgment defective. Goods so rejected and goods supplied in excess of

quantities specified herein may be returned at Seller's risk and expense for credit or replacement at Buyer's option, and all handling and transportation expenses both ways shall be assumed by Seller. Payment for, or use of, any or all of the goods or services supplied hereunder shall not constitute acceptance or waiver of defects by the Buyer. Nothing in this paragraph shall in any way limit Buyer's rights under paragraph 9 (warranty) hereof.

8. **PATENTS.** Seller warrants that the use or sale of any of the goods supplied hereunder will not infringe any patents, United States or Foreign. Seller agrees to defend, protect and save harmless Buyer, its successors, assigns, customers and users of its products, against all suits at law or in equity, and from all damages, expenses, claims and demands for actual or alleged infringement of any patent by reason of the sale or use of the goods supplied hereunder or any part thereof.

9. **WARRANTY.** Seller warrants that all material, equipment and services furnished hereunder will conform to specifications, drawings, samples, or other description furnished or approved by Buyer; will be fit and sufficient for the purposes intended; will perform as specified herein; will be free from defects and merchantable. This warranty will run to Buyer, its successors and assigns, and to the Buyer's customers and users of the Buyer's products. Seller shall be liable to Buyer for all damages and expenses resulting from Seller's failure to make timely delivery of goods and services of the quantity and quality specified, whether or not Buyer rejects such goods and services, in whole or in part, or terminates this contract.

10. **CHANGES.** Buyer reserves the right at any time to change this Order in any particular with respect to the goods and/or services not theretofore shipped thereunder. If any such change shall increase Seller's cost of performance, Seller shall immediately notify Buyer thereof and an equitable adjustment in the price shall be made by written amendment to the Purchase Order.

This is the entire agreement between Buyer and Seller as respects items covered hereby and all modifications must be in writing. Reference in this order to Seller's quotation does not imply acceptance of any terms and conditions in such quotation. Any terms and conditions in such quotation which are in addition to or inconsistent with the terms and conditions contained in this order shall not be part of this agreement.

An acknowledgment which contains terms in addition to or inconsistent with the terms of this Order, or a rejection of any term of this Order, shall be deemed to be a counter offer to Buyer and shall not be binding upon Buyer unless acceptance thereof is made in writing to the Seller. However, performance by Seller, in the absence of written acceptance of such counter offer by Buyer, shall be deemed to be performance in accordance with the terms of this Purchase Order.

11. **LAW.** This agreement is to be construed as though made in and to be performed in the State of Florida and is to be governed by the laws of Florida in all respects without reference to the laws of any other state or nation.

12. **INDEMNIFICATION AND CERTIFICATIONS.** If any work or services to be supplied hereunder are performed by Seller on Buyer's premises or on the premises of others for whom Buyer is performing services, Seller will indemnify and save harmless Buyer against any loss, damage or expense by reason of injuries to persons (including death) or damage to property arising out of the use of said premises by Seller, its agents, representatives, contractors, subcontractors or employees. Upon request Seller will furnish Certificate of Insurance showing coverage satisfactory to Buyer for workmen's compensation, public liability and property damage. Seller will also furnish, if requested sworn statements and waivers of lien with respect to, or arising out of goods and services supplied hereunder in form satisfactory to Buyer.

13. **REMEDIES.** The remedies herein reserved to Buyer shall be cumulative, and in addition to any remedies provided by law. No waiver of a breach of any provision shall constitute a waiver of any other breach, or of such provision.

14. **FABRICATION.** Unless specific delivery dates are provided in this Purchase Order, Seller shall not fabricate any of the supplies, covered by this Purchase Order, or procure any of the materials required in their fabrication, except to the extent authorized in written instructions forwarded to Seller by Buyer. Buyer shall have no responsibility for materials for which written fabrication and/or delivery instructions have not been provided. Buyer may from time to time change shipping schedules specified in this Purchase Order or contained in such written instructions, or direct temporary suspension of such scheduled shipments.
15. **REPAIRS.** Defective items at option of Buyer and upon notice to Seller will be repaired by Buyer or returned to Seller for repair, in either case, at Seller's risk and expense. Items which are rejected and returned are not to be replaced without the prior written permission of the Buyer. In the event that return of the equipment to Seller is not practical, Seller will at Buyer's request, make repairs at Buyer's location.
16. **BAILMENTS.** Any material furnished by Buyer (and not sold to Seller) in conjunction with this order shall be deemed as held by Seller as a Bailee and Seller agrees to keep the same fully insured for the benefit of Buyer and to pay for all such material spoiled by it or not otherwise satisfactorily accounted for.
17. **RIGHT OF SET-OFF.** Buyer shall be entitled at any time to set off any sums owing by Seller to Buyer against sums payable by Buyer in connection with this Purchase Order.
18. **GENERAL.** Shipment of any part of the goods or services to be supplied hereunder shall constitute acceptance of this Purchase Order and its terms and conditions. In the event of any inconsistency between the terms of this Order and Seller's acceptance, the terms of this Order shall govern. No portion of this contract may be modified or waived unless Buyer expressly consents in writing to each such change. No omission by Buyer to enforce any provision of this contract shall constitute a waiver of its rights to enforce any provision thereafter.
19. **ATTORNEY'S FEE.** Whenever Buyer or Seller shall breach or fail to perform any of the conditions or provisions of this Purchase Order, and such failure or breach shall cause either party to incur any damages or expenses whatsoever, such damages or expenses so incurred, with legal interest, and including penalties, costs, and reasonable attorney's fees as hereinafter described in this paragraph, may be added to or deducted from the next accruing payments due as may be judicially determined. "Reasonable attorney's fees" shall be deemed to include fees at the pretrial, trial and appellate levels, in addition to costs of suit or arbitration.

PORT ST. LUCIE CITY COUNCIL
AGENDA ITEM REQUEST

Meeting Date: _____, 2001

Public Hearing _____ Ordinance _____ Resolution _____ Motion X
 Legal Ad Dates _____ Newspaper _____ (attach copy of ad or enter dates)

Item:

Recommended Action:

- 1) Approval to purchase from _____ for \$ _____; plus an Indemnification Fee of \$10.00; State Contract # _____.
- 1a) Approval to enter into a Fixed Price Contract with _____ for the prices submitted on their Bid Reply Sheet. Purchase Orders will be issued as needs are determined. Contract Period will be _____ through _____.
- 1b) Approval to enter into a contract with _____ for \$ _____, **which amount includes or, plus** an Indemnification Fee of \$10.00.
- 2) Approval to purchase as a Sole Source from _____ for \$ _____.
- 3) Approval to renew the Contract with _____ in accordance with SECTION XXI RENEWAL OPTION, to provide the identical services required in this contract for the identical period of time in the subsequent calendar period for a total charge which is less than ninety-six percent (96%) of the amount stated in this contract. The revised contract expenditure is \$ _____. Contract Period is _____ through _____.

Exhibits: Department memo attached [] yes [] no

Copies of the Bid Tabulation Report, Specifications, and the submitted Bid Reply Sheets.

NOTE: Offers from vendors listed herein are the only offers received timely as of the above opening date and time. All other offers submitted in response to this solicitation, if any, are hereby rejected as late.

Summary Explanation/Background Information:

The need for the above is:

Purchase () is () is not a replacement.

Purchase () was budgeted () was not budgeted.

Estimated Annual Expenditure: \$ _____.

Department requests expenditure from the following:

Fund		
Cost Center		
Object Code		
Project		

Director of OMB concurs with award: _____ City Manager concurs with award: _____

Department requests _____ minutes to make a presentation.

Submitted by: _____

Title: _____

Exhibit 3

Date Submitted

City of Port St. Lucie – Request for Change Order

PO # _____ Change Order # _____ Vendor: _____ Date: _____

Requested By: _____ Authorized By: _____ Dept: _____

Change Requested: change/cancel [mail to Vendor –yes - no] Total Value of Revised Order \$ _____

	Line Item	Old Qty	New Qty	Description	Unit Price *	Current Line Balance	Amount of Change	New Line Balance	Account Number
Chg						\$	\$	\$	
Chg						\$	\$	\$	
Chg						\$	\$	\$	
Chg						\$	\$	\$	
Chg						\$	\$	\$	
Chg						\$	\$	\$	
Chg						\$	\$	\$	
Chg						\$	\$	\$	
Add						\$	\$	\$	
Add						\$	\$	\$	
Add						\$	\$	\$	
Add						\$	\$	\$	

Reason for Change (Be Specific):

Instructions:

1. A vendor change requires a new PO and the existing PO should be cancelled.
2. When making a change please check the balance of the line on the PO in MUNIS before making your change.
3. Change orders should be completed before receiving is done.
4. *Unit Price Column should only be used if that is what you want changed.
5. The “requested by” field should be completed with the name of the person requesting the change, not the department head.

Please Remember: Any change orders to decrease a quantity or unit price on a line that has prior liquidations, will not show on the reprinted PO. You must check amounts In the Munis system! Do not rely on the hard copy for accurate information.

O.M.B. Authorization: _____ Changes by: _____ Date: ____/____/____

DRUG-FREE WORKPLACE FORM

The undersigned vendor in accordance with Florida Statute 287.087 hereby certifies that
_____ does:

(Name of Business)

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 1893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

Bidder's Signature

Date

Exhibit 5

CODE OF ETHICS

A member regards public service as a trust and is in accord with and supports professional principles of governmental purchasing.

Members believe in the dignity of their office, the real worth of the service rendered by their governmental agency, and gives first consideration and loyalty to that agency.

Members are always guided in their actions by integrity and honor to merit the respect and inspire the confidence of the agency and the public which they serve.

A member accepts full responsibility for the purchase and supply function and knows exactly of what it consists by keeping current memberships and participating in professional purchasing organizations.

A member believes that character is the greatest asset in commerce and therefore will not accept gifts or other things of value from vendors where the intent is to influence the purchaser.

Members keep their governmental agency fully informed of their problems and progress doing so through appropriate channels by emphasizing the facts without personal aggrandizement.

Members do not allow political consideration or any other outside influence to enter their relationships with employees. Personnel administration is based upon training, experience, and initiative.

A member avoids sharp practices and misrepresentations recognizing that mutually profitable business relations are based upon honesty and fair dealing.

Members will be courteous, considerate, prompt, and business like with those whom they deal, including their employer, employees, vendors and the public so that their time and that of others will not be wasted.

A member subscribes to and supports the professional objectives of the Florida Association of Public Purchasing Officers.

CONFLICT OF INTEREST STATEMENT

RFP# _____

RFP TITLE _____

1. EMPLOYEE NAME: _____

DEPARTMENT _____

PHYSICAL ADDRESS: _____

MAILING ADDRESS: _____

CITY, STATE, ZIP CODE: _____

TELEPHONE NUMBER: () _____

2. CONFLICT OF INTEREST STATEMENT

I understand that no public officer or employee of an agency shall have or hold any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which he is an officer or employee, excluding those organizations and their officers who, when acting in their official capacity, enter into or negotiate a collective bargaining contract with the state or any municipality, county, or other political subdivision of the state; nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his private interests and the performance of his public duties or that would impede the full and faithful discharge of his public duties. FSS 112.313 (7)(a)

8. CERTIFICATION:

This statement is submitted by: Name (print) _____

Signature

Date

BID REQUEST

Department: _____

Department Technical Specialist: _____ Extension: _____

Item/Description of Work Summary: _____

Date needed: _____ Technical Specifications Attached: Yes No

Date plans received approval by City Building Department _____

Replacement: Yes No Budgeted Amount: _____

If not budgeted, authorization from Director of OMB is required.

Account Number	Fund	Cost Center	Object Code	Project

Suggested Vendors (Use separate sheet if necessary): These will be added to DemandStar broadcast list.

Vendor Name	Address	Fax Number	Contact Person

Reason for purchase:

_____ Department Head Approval

_____ Date

For OMB Use Only	
Date Received	
Bid # Assigned	
Buyer Assigned	

City Contract # _____ Bid # _____ Assigned to: _____

Title: _____

Contractor: _____

Award Amount: \$ _____

Term of Contract: Starting Date: _____ Ending Date: _____

Encumbrance Required: Yes () No () Item was Budgeted: Yes () No ()

Expenditure From	Fund	Cost Center	Object Code	Project #

City Attorney: _____ /____/____
Signature Date

Comments: _____

Risk Management _____ /____/____
Signature Date

Comments: _____

Department Head Approval: _____ /____/____
Signature Date

Comments: _____

Finance Approval: _____ /____/____
Signature Date

Comments _____

Office of Management & Budget has received and completed all requested changes.
Attached are the final Contract documents.

OMB Confirmation: _____ /____/____
Signature Date

Visa Order Form

City of Port St. Lucie

Charges for VISA may be placed after service is completed or commodities sent.

Card Number:

Cardholder Name:

Expiration Date:

Delivery date:

Delivery time:

Delivery location:

Contact person for question:

Send receipt to:

Co. Name & Telephone/Fax No.	Date Issued:
Att:	

Quantity	Description	Unit Price	Amount
	Freight		
Total Amount			

Delivery time after receipt of Visa Fax :

Prices are to be FOB Destination.

Tax exempt # is 66-04-017562-54C

Please send receipt to:

This order is subject to all the City of Port St. Lucie Terms & Conditions that are available on City's web site at www.cityofpsl.com