

City Commission Policy 242

PROCUREMENT POLICY

DEPARTMENT: Procurement

DATE ADOPTED: July 12, 2000

DATE OF LAST REVISION: April 5, 2017

Policy No.

242.01	STATEMENT OF POLICY: It is the intent of the City Commission of the City of Tallahassee to institute a uniform procurement system with purchasing policies that provide for on-time acquisition of competitive, quality products and services, to support the daily operations of the City.
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242.02	AUTHORITY: This policy was adopted by City Commission July 12, 2000.
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242.03	OBJECTIVES: This policy shall provide the governing principles that establish the City's basic philosophies upon which the procurement and warehouse functions must operate. To achieve the aforementioned objective, all persons authorized to commit City funds for the purchase of supplies and services shall:
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1. Ensure the uninterrupted flow of the City's services by obtaining and ensuring delivery of acceptable quality of supplies and services, at the right time and price.
2. Comply with all applicable federal, state and local laws, statutes, ordinances and regulations governing municipal procurement. Special emphasis shall be placed on ensuring that procurement actions comply with Chapter 112, Florida Statutes relating to ethical behavior in the acquisition of supplies and services.
3. Provide fair and equitable treatment of all vendors who participate in City procurement activities.
4. No person or business shall be excluded from participation in, denied benefits of, or otherwise discriminated against, in connection with procurement by the City on the basis of an individual's race, color, gender, religion, national origin, age, disability, marital status, pregnancy, sexual orientation and gender identity, or any other characteristic protected by law.

242.04	SCOPE AND APPLICABILITY: The policy outlined herein shall apply to all appointed officials and their respective departmental employees involved in any activities associated with the procurement of supplies or services for the City of Tallahassee.
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242.05	DEFINITIONS: <u>Competition:</u> The effort of two or more vendors to secure the business of a purchaser by the offer of the most favorable terms as to price, quality, promptness of delivery or service, in accordance with the provisions of a solicitation of such offers.
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Competitive Negotiation: A method for procurement of supplies and services in which discussions attempting to reach agreement on terms and conditions of a contract may be conducted with multiple vendors who submit proposals in response to a solicitation.

Competitive Sealed Bid: A method for acquiring offers for procurement of goods, services, or construction in which award is made to the lowest responsive and responsible bidder based on responses to an invitation for bid received from qualified vendors.

Competitive Threshold: A dollar limit established by the City Commission for the purpose of determining the method of procuring a particular supply or service. (See [Appendix B](#) for competitive threshold requirements).

Continuing Services Agreement: A type of agreement that provides for furnishing of specified types of professional services for a stated term pursuant to individual task or purchase orders.

Contract: A written agreement, regardless of its title, which is signed by the City and one or more other parties, and which sets forth specific terms and conditions for the procurement or furnishing of goods, services or professional services.

Contracting Officer: An individual with the authority to enter into, administer, and/or terminate contracts, and make related determinations and findings.

Non-Competitive Negotiations: A method for procurement of supplies and services in which discussions attempting to reach agreement on terms and conditions of a contract may be conducted with a single vendor.

Off-the-Shelf Purchase: An item produced and stocked in inventory by a vendor awaiting the receipt of orders or contracts for sale.

Procedure: The prescribed method or specific course of action that will accomplish the requirements of a policy.

Procurement: Buying, leasing, renting or otherwise acquiring any materials, supplies services, construction, and equipment, including description of specifications and requirements, selection and solicitation resources, preparation and award of contracts.

Purchasing Authority: The authority to approve the acquisition of supplies or services on behalf of the City of Tallahassee as designated by the City Commission, Appointed Official, Procurement Services Manager or appropriate Department Head (See [Appendix A](#) for purchasing authority levels and specific thresholds).

Request for Quotation (RFQ): An informal solicitation or request for information, where oral or written quotes are obtained from vendors, without formal advertising or receipt of sealed bids.

Services: The furnishing of labor, time, or effort by a vendor, which does not result in the delivery of a tangible product.

Supplies: Commodities or equipment.

Term Contract: A type of agreement that provides prices for specific types of goods or services (other than professional services) that is in effect for a stated term.

Vendor: Any natural person or business that responds to a solicitation by the City relating to procurement of goods or services.

242.06

ROLES AND RESPONSIBILITY:

- A. **All Employees** of the City of Tallahassee, in accordance with the requirements of their positions, shall be responsible for:
 - 1. Complying with all of the City's purchasing policies and procedures
 - 2. Providing Procurement Services with timely and accurate information to efficiently procure requested supplies/services
 - 3. Providing necessary information and working with Procurement Services in:
 - a. Evaluating vendor performance
 - b. Resolving vendor grievances
 - c. Identifying department procurement needs
 - d. Evaluating vendor responses to solicitations
 - e. Providing purchasing and vendors with necessary technical information
 - f. Identifying alternative sources of supply
 - 4. Ensuring that Procurement Services is made aware of all communications with vendors concerning:
 - a. Invitations for bids and requests for proposal that have been advertised and the bid opening date has not yet occurred;
 - b. Invitations for bids and requests for proposal that have been received and opened, but not yet awarded; and
 - c. Potential contract amendments
- B. **City Commission**, as the overall governing body for the City of Tallahassee, shall:
 - 1. Provide overall policy direction related to procurement activities.
 - 2. Render a final decision on award regarding any action for procurement of supplies or services presented by the City Manager.
- C. **City Manager** shall provide overall administration of procurement activities for the City of Tallahassee. This responsibility shall include:
 - 1. Approving and submitting of all award recommendations presented to City Commission by departments under the Manager's organizational authority.
 - 2. Approving and awarding all purchases/contracts within designated managerial authority.
 - 3. Recommending amendments to this Procurement Policy and approving all administrative procedures to insure consistency and compliance with this Policy.
 - 4. Serving in the capacity of Contracting Officer for the City of Tallahassee.
 - 5. Capital Projects- Approving and awarding all purchases, contracts and change orders for all capital projects approved by the City Commission in the capital budget.

Note: All appointed officials shall have the same authority as the City Manager for the procurement of supplies or services within their respective areas of responsibility.

- D. **Procurement Services** provides centralized procurement, warehouse and accounts payable services for the City of Tallahassee. Its primary responsibility is to provide for the acquisition of materials, supplies and services with the objective that they will be available at the time and place, in a quantity, of a quality, and at a price consistent with the needs of the City. These responsibilities include the following:
1. Developing and distributing administrative procedures that pertain to purchasing, warehouse and accounts payable activities with the intent of providing personnel with the guidelines and, where appropriate, the specific action sequences to ensure uniformity, compliance, and internal control of all procurement related activities
 2. Providing appropriate procedures for the selection of vendors in accordance with applicable federal, state and local laws, statutes, ordinances and regulations governing municipal procurement
 3. Providing leadership in the development of invitations to bid and requests for proposal, administration of contracts and management of inventories of purchased goods, so as to meet the requirements of City departments
 4. Issuing and receiving responses to invitations to bid and requests for proposal in accordance with this Policy and related administrative procedures
 5. Making a final determination and/or recommendation, in conjunction with the appropriate operating department, for quote, bid and proposal awards, except where others are so authorized by the City Commission or City Manager
 6. Reviewing and approving all procurement related award recommendations submitted to the City Manager
 7. Approving and awarding of all procurement actions within the Procurement Services Manager's authority
 8. Providing appropriate procedures for ensuring vendor protests of competitive sealed bids, competitive negotiations and requests for quotations are treated in a fair and objective manner
 9. Processing vendor payments in accordance with the City's Prompt Pay Policy and the Florida Prompt Payment Act, Section 218.70, Florida Statutes
 10. Approving all extensions to the term of procurement related agreements as stipulated in the original terms and conditions of such agreements
 11. Resolving complaints between using departments and vendors regarding purchases of supplies and services
 12. Rejecting all bids or proposals received in response to a solicitation, when deemed appropriate by the Procurement Services Manager
 13. Authorizing the termination of vendor relationships
 14. Maintaining vendor performance records
 15. Providing procedures for the evaluation of vendors including suspension and debarment
 16. Disposing of materials and equipment owned by the City and declared to be surplus or obsolete
 17. Executing contracts, contract amendments, contract extensions, and purchase orders that originate through the procurement cycle after the appropriate approval is obtained

- E. **Minority Business Enterprise Office** coordinates the City's Minority and Disadvantaged Business Enterprise (MBE/DBE) activities. In carrying out this role, the MBE Office shall be responsible for the following:
1. Certifying minority and disadvantaged business enterprises
 2. Evaluating bids and proposals to determine appropriate MBE/DBE economic points to be awarded to each respondent based on criteria specified in the solicitation
 3. Reviewing and approving or denying requested waivers of MBE/DBE participation goals and establishing MBE/DBE participation goals in relation to procurement actions
 4. Monitoring of City contracts with MBE/DBE participation and assisting in resolution of contract problems involving MBE/DBEs
 5. Developing, maintaining and distributing the MBE/DBE directory
 6. Reviewing forthcoming City contracts and purchases to generate awareness by minority firms of the potential purchase and contractual opportunities and working with city staff, vendors and MBE/DBEs to facilitate a better understanding of bidding and contracting procedures
 7. Providing assistance to City departments in identifying MBE/DBEs and working with departments to develop appropriate MBE/DBE participation goals
- F. **Treasurer - Clerk's Office** maintains all official records for the City of Tallahassee, and as such, shall be responsible for the following, with regards to the City's procurement activities:
1. Countersigning all contracts made in behalf of the City
 2. Ensuring contracts are executed and disseminated to the appropriate parties
 3. Safekeeping all bid and contract performance security instruments, including without limitation bonds, cashier or certified checks, letters of credit, and assignments of certificates of deposit, submitted to the City
 4. Handling concerns and issues relative to responding to requests for documents under the Public Records Act
 5. Issuing petty cash funds
- G. **Vendors** interested in doing business with the City shall be responsible for:
1. Registering with the City's vendor database manager and distributor for all procurement solicitations
 2. Ensuring that all business information set forth in the database, at any time, is current (i.e., address, contact person, product lines, etc.)
 3. Complying with all terms and conditions of the applicable solicitation, or other procurement related documents, in making an offer or proposal to the City and when conducting business with the City
 4. Ensuring the correctness, completeness and timeliness of responses to procurement solicitations and invoices submitted for payments

242.07

SUNSET PROVISION: The Procurement Policy shall be reviewed no later than five years from the effective date. Administrative and Professional Services shall submit the policy to the City Commission for review at least 90 days prior to the sunset review date. If no action is taken on the policy prior to the sunset review date, the policy will automatically extend for another five-year period or until the City Commission revises or terminates the policy.

| 242.08 **EFFECTIVE DATE:** This policy will become effective April 5, 2017.
Attachments – Appendix A and B

**Appendix A
City of Tallahassee
Purchasing Authority**

City Commission[1]	Unlimited
City Manager or designee	Capital Projects as approved by the City Commission in the Capital budget
City Manager	Non-Capital Projects \$0 - \$250,000
Appointed Officials or designee	\$0 – 250,000
(See Procedures Manual)	

NOTES:

I. Orders of supplies/services pursuant to Term Contracts [2] (price agreements) with fixed pricing, approved by the applicable purchasing authority listed in the above chart, shall be made on an as needed basis in accordance with other applicable City or departmental policies or procedures and do not require additional approval by the purchasing authority.

J. Continuing Service Agreements for the provision of specified professional services shall:

1. Have no threshold limit for professional fees.
2. Provide a specified contract period with optional extension periods as appropriate.
3. Provide a termination clause.

K. Each request for services under a Continuing Services Agreement shall contain a lump sum cost, a cost estimate or proposal, or other limitation and shall require approval in accordance with the above chart.

L. The City Attorney is authorized to enter into continuing service agreements for legal services within the budget appropriations for the fiscal year.

M. A formal contract [3] shall be prepared for transactions for services that exceed \$50,000. Contract extensions that are included in the original terms and conditions DO NOT require City Commission approval. The City Commission shall approve extensions to contracts that are not a part of the original terms and conditions.

[1] The City Commission as a body, not individual members of that body.

[2] This includes contracts established by federal, state and other governmental agencies when it is in the best interests of the City.

[3] As defined in Administrative Procedures established in accordance with this Policy.

Appendix B
Competitive Thresholds

Threshold	Method of Competition
All Purchases	
<=\$1,000	No competition required
>\$1,000 but <=\$10,000	Phone or written request for quotation
>\$10,000 but <=\$25,000	Written request for quotation
Off-the-Shelf Purchases	
>\$25,000 but <=\$100,000	Written request for quotation
>\$100,000	Competitive Sealed Bid
Non Off-the-Shelf Purchases	
>\$25,000 (See Note 3)	Competitive Sealed Bid/Competitive Negotiation
Professional Services—See Note 1	
<=F.S. 287.017 Category Two	Non-Competitive Negotiation
>F.S. 287.017 Category Two—See Note 2	Competitive Negotiation

Purchases of select vehicles for special operations of the Tallahassee Police department as specifically identified by the Chief of Police or his/her designee shall be exempt from the competitive procurement process. The Tallahassee Police Department shall coordinate all purchases of special vehicles with the Fleet and Procurement Services Divisions to insure proper acquisition.