



FLAGLER COUNTY

PURCHASING POLICY

POLICY NO. 02-01

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BY

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FLAGLER COUNTY PURCHASING POLICY

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POLICY NO. 02-01

**POLICY: IT SHALL BE THE PUCHASING POLICY OF THE
FLAGLER COUNTY BOARD OF COUNTY COMMISSIONERS:**

MISSION

The mission of the Purchasing Policy is to maximize the purchasing value of public funds in procurement; to provide safeguards for maintaining a procurement system of quality and integrity; and to provide for fair and equitable treatment of all persons involved in public purchasing by the County.

SECTION 1.0 Concepts and Objectives

This policy, set by the Board of County Commissioners of Flagler County (hereinafter referred to as “Board”), governs all of the procurement made by the Board. Constitutional Officers and other County agencies are encouraged to avail themselves of the services of the Purchasing Office as outlined in this policy. No contract or purchase shall be subdivided to avoid the requirement of this policy.

1.1 Concepts

1. The Purchasing function is to ensure that purchasing laws, rules and regulations are enforced and carried out under the highest ethical standards. Strict adherence by all County officers, employees, agents and by the suppliers and contractors to specific ethical considerations is required to maintain the confidence of the public, the County and the business community in the expenditures of County funds.
2. To procure for the County the highest quality in commodities and services at the least expense and/or the best value to enable the greatest cost effectiveness in performance to the County.
3. To encourage uniform bidding and to endeavor to obtain full and open competition on all purchases and sales.
4. To keep informed of current developments in the field of purchasing, prices, market conditions and new products to secure for the County the benefits of research done in the field of purchasing, prices, market conditions and new products and to secure for the County the benefits of research done in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations having national recognition and by private businesses and organizations.

1.2 Objectives

The objectives of the Purchasing Policy are:

1. To deal fairly and equitably with all suppliers wishing to do business with Flagler County.
2. To assure adherence to all purchasing laws, regulations, and procedures.
3. To maximize competition for all procurements.
4. To obtain maximum savings through bulk purchases and other value adding techniques.
5. To administer the contracting function with internal efficiency.
6. To purchase goods and services at the lowest price, consistent with quality, performance, and delivery requirements from capable suppliers meeting the County's needs.
7. To obtain maximum value from transfer, trade, sale or other disposition of surplus and/or obsolete property.

SECTION 1.3 Purchasing Policy Ethics

1. Acceptance of gifts at any time, other than advertising novelties, is prohibited. Acceptance of entertainment also is prohibited. Employees must not become obligated to any suppliers and shall not conclude any County transaction from which they may personally benefit.

2. No County officer or employee shall bid for, enter into, or be in any manner interested in any contract for County purchases or County public works, nor shall any officer or employee seek to influence the purchase of a product or service from any bidder; except this restriction shall not be construed to restrict persons from evaluating and appraising the quality and value of the product to be purchased or service to be rendered where the person's scope of employment contemplates advice and council with respect to the purchase.

3. The provisions of Section 112.313, Florida Statutes, pertaining to standards of conduct for public officers, employees of agencies, and local government attorneys expressly apply to the Flagler County Purchasing Policy. A violation of Section 112.313, Florida Statutes, pertaining to purchasing or contractual relationships shall also be deemed a violation of this Policy. Specific statutory provisions pertaining to purchasing and contracting include but are not limited to: Section 112.313 (standards of conduct), Section 180.24 (bids on construction contracts), Section 218.70, et. seq. (the Florida Prompt Payment Act), Section 225.20 (local bid law), Section 287.055 (consultants' competitive negotiation act), Section 336.41 and 336.44 (county roadwork).

SECTION 2.0 Purchasing Categories; Encumbrance of Funds

2.1 Purchasing Categories: Threshold Amounts

A. Small purchases:	Not to exceed \$749.99
B. Blanket Purchase Orders Non-contractual basis:	Not to exceed \$9,999.99
C. Blanket Purchase Orders Contractual basis:	Not to exceed \$24,999.99
D. Competitive Verbal Quotes/Proposals:	\$750.00 not to exceed \$1,499.99
E. Competitive Written Quotes/Proposal:	\$1,500.00 not to exceed \$24,999.99
F. Competitive Sealed Bids/Proposal:	\$25,000.00 and over

2.2 Encumbrance of Funds

The County Purchasing Manager, except in cases of emergency as determined by the County Administrator, shall not issue any order for delivery on a contract or open market purchase until there is, to the credit of the using department concerned, a sufficient unencumbered appropriation balance, in excess of all unpaid obligations, to defray the amount of such order and the order is for a budgeted commodity or service. All purchase orders shall be supported by a properly submitted requisition.

It is the responsibility of the requesting department to ensure sufficient and proper funding is available prior to submitting a purchase requisition.

A purchase order shall be issued only upon receipt of an acceptable, authorized requisition, after having justification, competitive quotes or bids, and after determination of the availability of funds.

If a purchase changes the exterior appearance of a County facility, the change must be approved by the Board. Examples would be buildings and landscaping.

Exception: The County Administrator may authorize unencumbered purchases, not to exceed one thousand dollars (\$1,000) upon request of the using department. The using department shall make the request to the County Administrator on purchases that are generally not definable as an emergency, but rather purchases wherein the encumbrance process cause a hardship to the using agency in terms of work delays.

SECTION 3.0 PURCHASE GUIDELINE

3.1 Small Purchases

Procurement for commodities and services when cost thereof is seven hundred forty nine dollars and 99 cents (\$749.99) or less does not require solicitation of quotes, except when deemed practical by the Purchasing Manager.

3.2 Competitive Quotes (Verbal)

Procurement for commodities and services when cost thereof is seven hundred fifty dollars (\$750.00) or greater, but is less than one thousand five hundred dollars (\$1,500.00) shall require competitive verbal quotations from two or more vendors to the user department and shall be awarded by the Purchasing Manager to the lowest and/or best value responsive responsible bidder meeting specifications. Verbal quotes shall be annotated on a form retained by the Purchasing Manager.

3.3 Competitive Written Quotes/Proposals (less than \$25,000.00)

Competitive Written Proposals for all purchases of commodities and services when estimated cost thereof is one thousand five hundred dollars and 00 cents (\$1,500.00) or greater, but is less than twenty five thousand dollars (\$25,000.00), shall be mailed or faxed to three or more vendors to include general/special specifications depicting date, time and place of opening. The Purchasing Manager shall have authority to make award of said bid that is less than ten thousand dollars (\$10,000.00) to the lowest and/or best value responsive responsible bidder. The County Administrator shall have the authority to make award of said bid that is ten thousand dollars or more and less than twenty five thousand dollars (\$25,000.00) to the lowest and/or best value responsive responsible bidder.

3.4 Competitive Sealed, Written Bids/Proposals (greater than \$25,000)

Competitive Sealed Written Bids for all purchases of commodities and services when the estimated cost thereof shall be greater than twenty five thousand dollars (\$25,000) comply with Section 4.

3.5 Competitive Fuel Quotes (Verbal)

The significant daily fluctuating of fuel price requires a departure from normal bid procedures. Procurement for fuel may be verbal and shall not exceed sixty thousand dollars (\$60,000) per fuel depot, per order and the award shall be made by the Purchasing Manager and/or County Administrator. A record of the vendor quotes shall be maintained by the Purchasing Manager.

3.6 Emergency Procurement

Emergencies under this section shall be as defined in the Policy Definitions, or as provided by Chapter 252, Florida Statutes, as may be amended from time to time.

Following all purchases under this emergency procurement section, a report shall be prepared by the user, with complete documentation, clearly stating the justification for exception from normal purchasing policy procedures.

1. In the case of emergencies that require the immediate purchase of goods or services, the County Administrator or his designee shall be empowered to secure such goods or services without competitive bidding. In this event, all measures as are reasonably possible under the circumstances shall be taken to assure the maximum cost benefit to the County of the goods or services procured.

2. In addition, a Department Head or Department Supervisor, during non-business hours, is authorized to make purchases without competitive bids, when an emergency arises and such purchases are necessary to protect the health, safety, welfare, or property of the County or any of its citizens.

3. Documentation for emergency purchases pertaining to the above shall be submitted to the Purchasing Manager with a detailed explanation, and support materials attached if applicable, within ten working days after the event occurred. Emergency purchases that meet the \$25,000 or greater amount shall be submitted to the Board for ratification.

3.7 Continuing Supply Contract Procurement

Continuing supply contracts shall not be exempted from bid bond requirements except when deemed necessary by the Purchasing Manager to be in the best interest of the County.

3.8 Blanket Purchase Orders

1. Non-contractual Basis – No purchase order shall be issued for an amount greater than the limit established for a non-contractual blanket purchase order in Section 1.0 of this policy for the purchase of goods or services not under a contractual arrangement authorized under this purchasing policy or approved by the Purchasing Manager.

2. Contractual Basis – No purchase order shall be issued for an amount greater than the limit established for a contractual blanket purchase order in Section 1.0 of this policy for the purchase of goods or services unless approved by the Board. The Purchasing Manager shall have the authority to make award of said bid that is less than ten thousand dollars (\$10,000.00) to the lowest and/or best value responsive responsible bidder. The County Administrator shall have the authority to make award of said bid that is greater than ten thousand dollars and less than twenty five thousand (\$25,000.00) to the lowest and/or best value responsive responsible bidder.

3.9 Local Preference

(a) Purpose and Findings: The Local Contractor/Vendor Preference shall not exceed five percent (5%) of all purchases under \$500,000, up to 5% for construction projects over \$500,000 and up to 5% for contracts under the Consultant's Competitive Negotiation Act (CCNA). These provisions apply to purchases using Formal Bid, Request for Proposals or Quotes. The County annually spends significant dollars on purchasing personal property, materials, and services, and in constructing improvements to real property or existing structures. The dollars used in making those purchases are derived, in large part, from taxes, fees and utility revenues paid by businesses located within Flagler County, and the County Commission has determined that funds generated in the community should, to the extent possible, be placed back into the local economy. Therefore, the County Commission has determined that it is in the best interest of the County to give a preference to local businesses in making such purchases whenever the application of such a preference is reasonable in light of the dollar-value of bids and quotes received in relation to such expenditures.

(b) Application:

1. For competitive sealed bids under \$500, 000, the provisions of this section shall apply to all competitive formal bids or quotes for purchase/procurement of goods, services, supplies, equipment, materials and in construction improvements to real property or existing structures. The County may give a local preference in the amount not to exceed five percent (5%) of the bid price for all purchases/procurements under \$500,000. The total bid price shall include not only the base bid price, but also all alterations to that base bid price resulting from alternates which were both part of the bid and actually purchased or awarded by the County. All tie bids will be awarded to the local vendor. The local preference shall be applied if the local vendor meets all the eligibility requirements identified in this section and is an otherwise qualified bidder or proposer.
2. For competitive sealed bids over \$500,000, each invitation to bid to perform a contract or contract modifications, which individually or cumulative are expected to exceed \$500,000 for construction and that has subcontracting possibilities, shall require the bidders to submit a subcontracting plan identifying local vendors utilized. If a bidder fails to submit a subcontracting plan with its bid, the bidder will be ineligible for award of any local vendor preference. Local vendor preference for bids over \$500,000 shall be 3% for the prime contractor if they meet the local vendor eligibility as defined in this section. The bidder can earn an additional ½% for each local vendor identified on its subcontracting plan, where such local vendor's subcontract represents at least 5% of the total bid and up to a maximum of 5% of the project bid total for local vendor preference.
3. When the County sends out a request for proposal (RFP) or request for qualifications (RFQ) under the Consultant's Competitive Negotiation Act (CCNA) process, packages sent out shall provide for a proposal to receive up to 5% of the points granted within the proposal evaluation criteria to be made eligible for local preference. For proposals estimated to be less than \$50,000 this shall only apply to the primary consultant doing the technical work. For

proposals estimated to be greater than \$50,000 the evaluation criteria shall be identified in the request for proposal and/or request for qualifications package and may include a preference for sub-consultant which are local vendors, in addition to the primary consultant.

(b) Definitions:

1. Local Vendor means a person or business entity which has maintained a permanent place of business with full-time employees within Flagler County for a minimum of twelve months prior to the date bids or quotes were received for the purchase or contract at issue, and which generally provides from such permanent place of business the kinds of goods or services solicited, and which at the time of the solicitation fully complies with the local vendor eligibility identified in paragraph 2 below.
2. Local Vendor Affidavit of Eligibility shall accompany the quotation or bid submittal in order to be considered valid and shall include, but not be limited to, the following current information:
 - a. A physical business and location address;
 - b. A copy of a current Flagler County Local Business Tax Receipt (formerly known as an “occupational license”) to verify the business location;
 - c. Proof of payment of business license and/or real property tax due to Flagler County;
 - d. A copy of the firm’s most recent annual corporation report to the Florida Division of Corporations;
 - e. Any additional information necessary to verify local status.

(c) Competitive Bids/Quotes. The County reserves the exclusive right to compare, contrast and otherwise evaluate the qualifications, character, responsibility and financial qualifications of all persons, firms, partnerships, companies or corporations submitting formal bids or formal quotes in any procurement for goods and services when making an award in the best interests of the County.

(d) Exemptions.

1. Purchases resulting from exigent emergency conditions where any delay in completion or performance would jeopardize public health, safety, or welfare of the citizens of the County, or where in the judgment of the County the operational effectiveness or a significant County function would be seriously threatened if a purchase was not made expeditiously.
2. Purchases with any sole source supplier for supplies, materials, or other equipment.
3. Purchases made through cooperative purchasing arrangements utilized by the Purchasing Department as identified in the Purchasing Policy.
4. Purchases that are funded in whole or in part by assistance from any federal, state, or local agency where the program guidelines do not permit local preference.

(e) Appeal. If an application for a “Local Contractor/Vendor” designation is denied, the applicant may appeal such decision to the County Administrator for review and further consideration.

3.10 Cooperative Purchasing

The Purchasing Manager shall have the authority to purchase from and join with other units of governments in cooperative purchasing ventures when the best interest of the County would be served thereby. It is standard policy of Purchasing to cooperate with other government agencies in the purchase of goods and services required by the County. The most common form of cooperative purchasing is purchasing from contracts issued by the State of Florida, General Services Administration, and other government pricing for specific commodities and services.

When any other government agency has competitively bid and awarded any contract for any product or service, Flagler County may purchase that product or service from the awarded vendor at the awarded price if the original bid specifications and award allow it. Where the public purchasing unit administering a cooperative purchase complies with the requirements of this policy, the County, when participating in such a purchase, shall be deemed to have complied with the provisions of this policy. Flagler County Purchasing office may bid and award the purchase of any product or service with the stipulation that any other government agency may also purchase the awarded product or service at the same awarded price.

It may prove advantageous for the County and other government agencies to explore the possibility of combining their respective requirements for certain commodities and issuing a joint cooperative bid/RFP.

Documentation requirements:

The following documentation is the minimum required to use another government entities awarded contract.

FLORIDA STATE CONTRACTS & SNAPS CONTRACTS: The current Florida State or SNAPS Contract Number is required. If the contract has fixed unit prices, a copy of the contract is required. If the contract is a percent discount from list, then a copy of the original manufacturer's list price must be attached. This will usually be in a form of a published price list. If only some of the items on the contract are being sought, then only the pages with those prices are required.

GSA CONTRACTS: A copy of the GSA contract showing the contract name, number and contract term is required. The ordering information page(s) and the page(s) with the pricing are also required. If the contract is a percent discount from list, then a copy of the original manufacturer's list price must be attached. This will usually be in the form of a published price list. If only some of the items on the contract are being sought, then only the pages with those prices are required.

Contracts from other Government Entities: Required are: (a) complete copy of the original bid/RFP; (b) copy of award letter/memo/agenda item by the government entity to the vendor; and (c) complete copy of vendor's proposal.

3.11 Signatures

Authorized signatures for the user departments are required at the various dollar thresholds per the Purchasing Policy. The Purchasing Manager or designee is authorized to sign all purchase orders when all policy procedures have been adhered to.

3.12 Receiving and Inspection

It shall be the responsibility of each department to have an individual, immediately upon receipt of product or service, to inspect that product or service to ensure that it meets the specifications as set forth in the purchase order. The person should inspect for proper quantities, proper quality, no damage and prompt delivery. The receiving person should have available a copy of the purchase order for verification purposes. Any deviations should be immediately documented and sent to the supplier and to Purchasing Division.

Signing a delivery slip does not necessarily constitute acceptance of an order. Any problems with an order should be documented and reported to Purchasing as soon as possible and for assistance in resolving the issue. Time is of the essence when dealing with problems on an order. If items received are damaged or defective, the Department receiving the goods should not use the items and immediately notify the vendor for the corrective action. Failure to timely advise the vendor and/or freight carrier may limit your remedies. Also if an item is delivered damaged, the receiving user has the responsibility to protect it and all packing materials from any further damage, and to make it available to the vendor and/or carrier for inspection.

When signing for services performed, sign only for what was actually performed. Never sign blank invoices or service tickets. Always insist that your Department receives a copy of the service/delivery ticket for the work performed.

3.13 Freight/Shipping and Handling Issues

Transportation of a product to the required delivery site is an additional expense to be considered. When obtaining quotes, bids, the using department should request the price be quoted including delivery, or delivery costs should be quoted, bid as a separate line item. When processing purchase requests it should always include delivery in the bid price.

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

F.O.B.:Destination: Title/ownership passes to the buyer (the County) when the goods are accepted by the County and the seller normally pays all transportation

costs. If anything happens to the goods in transit, the County does not have to pay the seller and the seller must file any claims and settle with the transportation company for damages. When proceeding with quotes or bids you should state to the vendor that you want the goods shipped F.O.B.:Destination. **THIS IS THE BEST METHOD FOR THE COUNTY.**

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

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

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

3.14 Payment of Invoice

It is the responsibility of the using department to request payment of goods or services received. The County Finance office has certain policies and procedures to follow and will furnish those upon request and provide instruction. Purchasing cannot process payments.

All payments to vendors shall be in accordance with the Florida Statutes, "Prompt Payment Act," governing payment for goods or services by government agencies. It is imperative that all invoices are paid as promptly as possible.

3.15 Direct Pay

Certain purchases, due to their very nature, are exempt from the competitive bid requirements. User Department/Division/Office can utilize the direct method and submit directly to the Finance Department.

Procurement of direct pay items including: dues and memberships in trade or professional organizations; subscriptions for periodicals; advertisements; postage; expert witnesses; abstracts of titles for real property; closing costs and processing fees for acquisitions; title insurance for real property; water, sewer, and electrical utility services; phone bills; copyrighted books and videos; and fees and costs of job-related seminars and training, catering service fees, licenses, permits, approved travel expenses for County employees, health insurance payments,

doctor/dentist payments, and non-recurring direct pay items that are not capital items.

SECTION 4.0 Procedures for Bids and Proposals

- 4.1 A vendor's catalog file and bid list will be prepared and maintained by the Purchasing Department. This catalog and bid list will be filed according to materials and will contain descriptions of vendor's commodities, general price information, vendor contact information and the names of vendor representatives.
- 4.2 All bids shall be developed using a standardized bid format and language, unless an exception is made in writing by the County Administrator and/or County Attorney.

4.3 Competitive Sealed Bids/Proposals

All purchases for commodities and services, when the estimated cost thereof shall equal or exceed twenty five thousand dollars (\$25,000), shall be purchased by competitive sealed bid or proposals after due notice inviting proposals. The Board may waive the sealed bid/proposal requirements when deemed to be in the best interest of the County. The preparation of the technical specifications are to prepared by the using Department Head with coordination of legal ads, dates, opening, vendor lists and other pertinent information required by the Purchasing Manager.

4.4 Notice Inviting Bids/Proposals

1. Newspaper – Notice inviting bid/proposals (unless otherwise provided by law) shall be published once in at least one newspaper of general circulation in the County, and at least fourteen (14) calendar days prior to the last day set for the receipt of bids or proposals.

Section 255.0525, Florida Statutes, states that any construction project that is projected to cost more than two hundred thousand dollars (\$200,000.00) shall be publicly advertised at least once in a newspaper of general circulation in the County at least 21 calendar days prior to the bid received date and at least five (5) calendar days prior to any scheduled pre-bid conference. If the construction project is expected to cost more than five hundred thousand dollars (\$500,000.00), it must be advertised at least 30 calendar days prior to the bid received date and at least five (5) calendar days prior to any pre-bid conference.

2. Written Notice – The notice shall include a general description of the goods or services to be purchased, the location where specifications may be obtained, closing date, and the time and place for receipt of and the opening of bids.

3. Bidder's List – Vendors on the bid list shall be mailed an Invitation to Bid which states the same information appearing in the written notice. Bidders List procedures are contained in Section 7.0 herein.

4.5 Bid Bonds/Deposits

The County Administrator and/or Purchasing Manager shall determine if bid bonds/deposits shall be prescribed. This bond/deposit shall be for five percent (5%) of the amount of the bid. Unsuccessful bidders shall be entitled to full return of their bond/deposit. Upon determination by the Board, the successful bidder shall forfeit this bond/deposit or a portion thereof, upon failure to enter into a contract or act on the purchase order issued within ten (10) working days of the bid award date. The release of any bid bonds/deposit shall be determined by the County Administrator and/or Purchasing Manager or designee.

4.6 Bid Submission

1. Bid/proposals shall be submitted to the Purchasing Manager no later than the date and time designated in the instructions. The envelope containing the bid/proposal shall be sealed and marked according to instructions in the specifications. The Purchasing Manager or designee shall date and time stamp each bid/proposal as it is received and file the bid/proposals, unopened, in a secure file until the time designated for the opening.
2. Bid/proposals received after the designated time shall be returned unopened to the sender.
3. Pre-bid/proposal conferences may be held when deemed necessary by the affected Department Head or Purchasing Manager. Notification of the Pre-bid/proposal conferences will be outlined in the bid/proposal package or provided by separate notice. However, any written material to be distributed to potential respondents must be approved in advance by the Purchasing Manager and made part of the bid/proposal package.
4. Registration or certification under Florida Statute Chapter 489 is required before any contract is awarded for construction work on buildings or other improvements to real property, except for roads or utilities as specified in Section 489.113, Florida Statutes, or is otherwise exempt under Section 489.103, Florida Statutes.

4.7 Bid/Proposal Opening

1. Bid/proposals shall be opened in public at the time and place stated in the public notice, with at least two witnesses present. At least one witness shall be a County employee to record the opening, the other witness may or may not be an employee of the County.

2. The purpose of the bid/proposal opening is to record the bid/proposals received, not to analyze them.
3. A recording of all bid/proposals received shall be available for public inspection at the Purchasing Office and mailed or faxed to persons requesting a copy. A copying charge may apply.

4.8 Rejecting Bids

The Purchasing Manager, after consultation with the affected Department Head, County Administrator and/or the County Attorney, shall have the authority to reject any and all bids.

4.9 Negotiation

If no compliant bid is received, the Purchasing Manager may re-bid, or the Board may authorize the Purchasing Manager and/or the County Administrator to purchase by negotiation, and the award shall be made in accordance with Section 4.9.

4.10 Correction or Withdrawal of Bids; Material Mistakes; Cancellation of Awards

A bid submitted to the County as part of a competitive bid procedure may not be withdrawn unilaterally by the bidder. Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. Mistakes discovered before bid opening may be modified or withdrawn by written notice received in the office designated in the invitation for bids prior to the time set for bid opening.

After bid opening, corrections in bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence that a mistake of nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. The County Administrator reserves the right to reject any bid containing a material mistake. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interests of the County or fair competition shall be permitted. Unit price when applicable will be the prevailing decision when an extension price is in error.

In place of bid correction, a low bidder establishing a non-judgmental material mistake of fact may be permitted to withdraw its bid if:

1. The bid was submitted in good faith;

2. The magnitude of the error made would make enforcement a severe hardship;
3. The miscalculation was not the result of gross negligence;
4. The bid error was reported immediately to the Purchasing Manager;
5. In no case no later than twenty-four (24) hours after bid opening, except that if the following day is not a business day for the County. In such case, a withdrawal may be made until 12:00 noon the next County business day.

All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination by the County Attorney.

4.11 Award

All contracts for goods or services that have been bid under this Section 4.0, when the sum is less than ten thousand dollars (\$10,000.00) shall be awarded by the Purchasing Manager to the lowest and/or best value responsive responsible bidder meeting all specifications. The County Administrator shall have the authority to make award of said bid that is ten thousand dollars (\$10,000.00) or greater up to twenty five thousand dollars (\$25,000.00) to the lowest and/or best value responsive responsible bidder. When the amount is in excess of twenty five thousand dollars (\$25,000.00), the Board shall award the contract to the lowest and/or best value responsive responsible bidder.

The contract shall be awarded with reasonable promptness by appropriate written notice to the lowest and/or best value responsive responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids. An award is not final until a notice of award is mailed to the successful bidder or proposer. In the event the lowest and/or best value responsive responsible bid for a construction project exceeds the architectural or engineering cost estimates, the County Administrator or designee is authorized, when time or economic considerations preclude re-bidding of work of a reduced scope, to negotiate an adjustment of the bid price with the lowest and/or best value responsive responsible bidder, in order to bring the bid within the amount of available funds.

1. Contracts

- A. Written Contract--A contract refers to a written document, whether it be a purchase order, formal written contract or other written agreement between the supplier, contractor, and/or vendor and Flagler County. This document establishes the legal working relationship between two parties. It specifies everything that is to be provided: what, when, where, how

much, how many, what size, what color, how delivered, where delivered, etc. It specifies how and when payments of goods and services are to be made, maintenance terms, guaranties, etc. The contract establishes in advance the ground rules of the terms and conditions.

A written contract is used when engaging in construction, purchase of goods and/or services where a purchase order is not adequate to describe all the terms and conditions, and is required to be executed by both parties. A purchase order is used as backup and processed as encumbrance of funds. The user department, County Attorney, County Administrator, and/or Board must approve the written contract where applicable per the purchasing policy.

- B. Purchase Order -- A purchase order is the County's official legal document of contract between the County and contractor, issued separately or in conjunction with other documents. A purchase order is a contract used to authorize a vendor to proceed with the purchase of goods, services and/or construction as specified, and obligates the County for payment. The purchase order is used in support of other contracts or by itself to establish legal financial obligations. A purchase order may result from price research, informal quotations, sole source or competitive negotiations, or formal solicitation of bids. A purchase order shall be issued upon receipt of an acceptable, authorized requisition, after having justification, competitive quotes, and bids or per the Purchasing Policy limits and after confirming the availability of funding.

A purchase order is issued only after a requisition has been completed and approved. The purchase order must be written so that all the pertinent information is clear, concise and complete, therefore preventing any unnecessary misunderstandings with the vendor.

- C. Change Order -- A change order is processed whenever a change to the original purchase order is necessary. Change orders are completed for modifications to descriptions, unit cost, quantities, etc. The user department head shall execute any change order. The change order will be handled as for approval levels just like an original purchase threshold amount. Change orders shall not be used to avoid ANY standard purchasing procedure for procurement by the competitive procedures. The change order must be clearly and concisely defined as to what changes and justification why the change is being requested.

In determining lowest and/or best value of a bidder, in addition to price, the following will be considered:

1. Ability, capacity and skill of the bidder to perform the contract.

2. Whether the bidder can perform the contract within the time specified, without delay, interference, or current workload.
3. Character, integrity, reputation, judgment, experience and efficiency of the bidder.
4. Quality of performance of previous contracts.
5. Previous and existing compliance by the bidder with laws and regulations relating to the contract.
6. Sufficiency of the financial resources and ability of the bidder to perform the contract or provide the product or service.
7. Quality, availability and adaptability of the supplies or contractual services to the particular use required.
8. Ability of the bidder to provide further maintenance and service for the use of the subject of the contract.
9. Number and scope of conditions attached to the bid.
10. Qualifications of personnel, licensing and corporate qualifications.
11. Evidence of improper litigation.
12. Use of one or more subcontractors with a record of poor performance.

NOTE: For the purposes of this Section, the County may consider evidence from the ten year period preceding the subject bid.

4.12 Bid Challenge

Any bid award recommendation may be challenged on the grounds of material irregularities in the bid procedure, or material irregularities in the evaluation of the bid. Such notice of intent of bid challenge shall be made in writing and delivered to the Purchasing Manager within 72 hours after posting of the intended recommendation of award in the Administration/Purchasing Office. A formal written bid challenge shall be filed within 5 working days in the Administration/Purchasing Office after the date on which the notice of intent of bid challenge has been submitted. Failure to file a timely notice of intent of bid challenge or failure to file a timely formal written bid challenge shall constitute a waiver of bid challenge proceedings. Bidders who do not submit a legitimate bid do not have standing to file a protest. Furthermore, bidders who would not be awarded the subject contract even if the protest were successful lack standing.

1. The notice of intent of bid challenge shall contain at a minimum: the name of the bidder, the bidder's address, fax number and phone number, the name of the bidder's representative to whom notices may be sent, the name and bid number of the solicitation, and a brief factual summary of the basis of the intended challenge.
2. The formal written bid challenge shall: identify the challenger and the solicitation involved, include a clear statement of the grounds on which the challenge is based, refer to the statutes, laws, ordinances, or other legal authorities which the challenger deems applicable to such grounds, and specifically request the relief to which the challenger deems itself entitled by application of such authorities to such grounds. The challenger shall mail a copy of the notice of challenge and the formal written challenge to the apparent best bidder. The County Administrator shall, within ten (10) working days of receipt of the formal written challenge, cause the challenge to be investigated. In the event the challenge is not resolved, the Board shall, within a reasonable time, be presented with the written challenge and the County Administrator's decision to the challenge prior to award of the bid. The procurement, which is the subject of the protest, shall not proceed until a final decision has been made, unless the Board makes a determination that the contract must proceed without delay to protect substantial interest of the County.
3. Nothing herein relinquishes the County's rights to waive irregularities and formalities in accordance with its bid package and instructions. Further, nothing herein shall create any rights in the unsuccessful bidder. All decisions of the Board shall be final.

4.13 Competitive Bidding Waived

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

1. Books, periodicals, software, printed materials, artwork, photographs, film, film strips, video tapes, disk or tape recordings or similar material where such materials are purchased directly from the producer or publisher, the owner of the copyright, an exclusive agent with the State, a governmental agency, or a recognized educational institute;
2. All heavy equipment repairs may be exempted from the competitive bidding requirements. The affected Department Head or designee shall solicit and evaluate quotations and make a recommendation for award. The Purchasing Manager shall review the quotations and provide a recommendation to the County Administrator for awarding the bid. Should a purchase exceed \$25,000, the County Administrator shall agenda the item for ratification by the Board at a regularly scheduled Board Meeting;

3. Commodities or services from established State of Florida, PRIDE, SNAPS, SPURS, RESPECT, government pricing, Federal General Services Administration contracts and other contracts competitively bid by government entities;
4. The purchase, lease, or rental of real property, except to the extent required by State law; Abstracts of titles for real property; Title insurance for real property;
5. Supplies, professional and contractual services from a single source upon certification by the Purchasing Manager stating the conditions and circumstances requiring the purchase. This certification shall set forth the purpose, need and justification that the item or service is the only one that will produce the desired results;
6. Public utility services;
7. Supplies or equipment where compatibility of equipment, standardization of products or services, accessories or replacement parts permits only one reasonable source of supply;
8. Grants (direct payment) and Social Services (e.g., burials and indigent patient services);
9. Advertisements; Postage; Legal Services, Expert Witnesses; Court Reporter services;
10. Dues and memberships in trade or professional organizations; Fees and costs of job-related seminars and training; travel;
11. Artists, music ensembles (bands) and other entertainment providers;
12. Animals;
13. Emergency purchases;
14. Other commodities or services, as determined by the Board.

4.14 Sole Source/Single Source

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

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

Purchases of goods and/or services from a sole/single source may be exempted from the quoting or bidding requirements upon written demonstration that: (1) the use is justified based on costs or interchangeability factors; (2) the use is recommended by the project architect, engineer, or affected Department Head; (3) the rationale for sole/single source is approved by the Purchasing Manager.

SECTION 5.0 Unauthorized Purchases

Except as herein provided, it shall be a violation of Board policy for any officer, employee or agent of the Board to order the purchase of any materials, supplies, equipment, professional or contractual services or to make any contract within the purview of this Policy other than through the Purchasing Manager, County Administrator or designee. Any purchase order or contract made contrary to the provisions herein shall not be approved, and the County shall not be bound thereby.

Purchases, orders, or contracts that are subdivided to circumvent the Purchasing policy shall be considered **Unauthorized Purchases** and are prohibited by Section 9.0 herein.

SECTION 6.0 Payment and Performance Bonds

The County Administrator and/or Purchasing Manager shall determine if payment and performance bonds shall be prescribed. Said bond(s) as a requirement shall be included in bid documents, if applicable. All contracts that require payment and performance bonds from a surety company shall require approval by the Board. Payment and performance bonds shall be at least 100% of the contract price.

A contractor or vendor shall provide a surety bond from a surety company authorized to do business in the State of Florida to guarantee the full and faithful performance of his contractual obligations and the payment of labor and material expended pursuant to the contract whenever and in such amounts as is deemed necessary by the Purchasing Manager. Alternative surety devices, such as Letters of Credit, may be authorized by the Board.

SECTION 7.0 Bidders List

1. A bidders list for the purpose of bid solicitations shall be maintained by the Purchasing Manager. The list shall consist of firms that apply with the Purchasing Office to be placed on the list. It is the responsibility of any potential bidder to ensure that it is placed on the active bidders list for a particular category

of products or services. For the purpose of bidders list purchasing categories, the National Institute of Governmental Purchasing Commodities Code shall be used.

2. The Purchasing Office may remove firms from the bid list for any of the following reasons:

- (a) Consistent failure to respond to bid invitations three (3) consecutive instances.
- (b) Failure to update the information on file including address, product or service description or business description.

3. The Board may remove firms from the bid list for the following reasons:

- (a) Failure to perform according to contract provisions.
- (b) Conviction in a court of law of any criminal offense in connection with the conduct of business.
- (c) Clear and convincing evidence of a violation of any federal or state anti-trust law based on the submission of bids or proposals or the awarding of contracts.
- (d) Clear and convincing evidence that the vendor has attempted to give a County employee a gratuity of any kind for the purpose of influencing a recommendation or decision in connection with any part of the Board's purchasing activity.
- (e) Other reasons deemed appropriate by the Board.

SECTION 8.0 Conflict of Interest

No employee or officer of the County shall receive compensation from any entity doing business with Flagler County, in accordance with Chapter 112, Florida Statutes.

SECTION 9.0 Subdividing to Avoid Policy Prohibited

No contract or purchase shall be subdivided to evade the threshold amounts or other requirements of this policy. Purchases, orders, or contracts that are subdivided to circumvent the Purchasing policy shall be considered **Unauthorized Purchases**.

SECTION 10.0 Public Records

The County is governed by the Florida Statutes Public Records Laws. All bids, RFPs, quotes, and all documentation are open for public inspection once a recommendation for award is made. Certain proprietary and financial information from vendors may be

excluded under very strict circumstances. All memos and internal correspondence concerning any purchasing matter are open for public inspection.

SECTION 11.0 Insurance Requirements

1. Minimum Requirements—Contractor shall purchase and maintain Worker’s Compensation Insurance (or provide a purged certificate of exemption for non-construction employees) and such general liability insurance as will protect it from claims or damages for bodily injury or death or property damage in amounts determined and set by the County. All required insurance policies shall be written with a carrier having a minimum A.M. Best rating of A-.
2. Certificates of Insurance—Contractor/vendor must provide certificate of current General Liability Insurance with a minimum coverage of \$1,000,000 and Worker’s Compensation Insurance as required by Florida State Statutes. When applicable, the following minimum coverages are required and must be identified on the certificate as follows: Professional Liability coverage of \$1,000,000, Liquor Liability coverage of \$1,000,000 for special events or use agreements or leases with tenants on County property, and Pollution Liability of \$1,000,000 to \$5,000,000. The specific requirements for insurance coverages will be identified in bid documents, request for proposals, quotes and use/lease agreements issued by the County. Certificates of Insurance acceptable to the County shall be filed with the Purchasing Division prior to the commencement of the work or activity.
3. The Flagler County Board of County Commissioners shall be named on each policy as an additional Insured (except for Worker’s Compensation and Professional Liability) and each policy must be endorsed. Unless otherwise prescribed by Flagler County, a recurring certificate of insurance is required every (15) days from the date of award until all of the obligations under the contract/agreement are completed.
4. Cancellation Clause—Alternatively, in lieu of recurring certificates, the contractor or vendor may provide a certificate of insurance form its insurance carrier that contains a provision that coverage afforded under the policies will not be cancelled until at least thirty (30) days prior written notice has been given to the County, except that in the event of cancellation for nonpayment of premium the County shall receive notice within 10 days or as prescribed by state law. The cancellation clause should read as follows: “Should any of the described policies be canceled or materially modified before the expiration date thereof, the issuing company will mail 30 day prior written notice to the certificate holder named below, except that in the event of cancellation for nonpayment of premium, the notice shall be 10 days unless a longer time is prescribed by Florida Statute.”
Certificate Holder: Flagler County Board of County Commissioners, Attn:
Purchasing Department 1769 E. Moody Blvd. #2, Suite 304 Bunnell, FL 32110.
5. Change of Insurance Requirements—The County reserves the right to

change the insurance requirements for each bid or proposal based on the project scope, or when determined to be in the best interest of the County.

6. Contact Information – Certificates of insurance shall be sent to the Flagler County Board of County Commissioners, Attn: Purchasing Department, 1769 E. Moody Blvd. #2, Suite 304, Bunnell, Fl 32110 or faxed to (386) 313-4110 or emailed to purchasing@flaglercounty.org. The County may specify additional notification requirements to other departments within the bid procurement package.

SECTION 12.0 GRANTS

Expenditures from funds other than general fund tax dollars may require special processing because of specific legal terms and conditions placed by the funding agency. Grants often have certain purchasing requirements that are different or additional to the County's Purchasing Policy and they require special purchasing procedures. It is the responsibility of the using department to identify and to transmit to Purchasing any special purchasing requirements or provisions and that the requirements are followed.

Unless otherwise specified in the grant, all grant purchases shall follow the County's Purchasing Policy.

SECTION 13.0 SURPLUS PROPERTY AND DISPOSAL

1. Obtaining Surplus Property

The Purchasing Manager has the authority to obtain property from authorized surplus property programs such as other government agencies, manufactures, business's or public auction when purchased in accordance of the Purchasing Policy thresholds. The most common form of equipment obtained from auction is heavy equipment, off-road equipment, maintenance equipment, generators, etc. Certain laws, rules and regulations govern surplus property obtained from Federal and State programs. Policies and procedures for participating in Federal and State programs are a separate issue and may be obtained by contacting Purchasing.

Surplus property obtained from another government agency (a County, a City) is reviewed and the appropriate process determined by the Purchasing Manager on a case-by-case basis.

2. Disposing of Surplus Property

Any Department having surplus or obsolete property shall inform the Purchasing Manager of their desire to dispose of said property. The Purchasing Manager shall determine whether such property can be utilized by another department within the County. If another department can utilize the property the County Administrator may approve said transfer. If said transfer involves a non-general fund area (i.e.,

enterprise fund), a reasonable value shall be placed on the asset by staff and funds or in lieu of funds services shall be required for that exchange. If another department cannot utilize the property, the Purchasing Manager shall then obtain approval from the Board of County Commissioners for all fixed asset property to declare the property as surplus. Once property has been properly declared surplus, the Purchasing Manager will determine the proper disposal, using one of the following methods: (1) trading in on new equipment; (2) sold by sealed bids; (3) selling as scrap, or (4) selling at public auction.

When the County utilizes a public auction to dispose of surplus property the auction shall be held by an approved auction company or the County. Auctions shall generally be used when there is a sufficient amount of surplus property to dispose of. Other government agencies may also be invited to participate in these auctions. After the Board approves the list of surplus property to be sold, the Purchasing Manager shall advertise when and where each auction will be held, if being conducted by the County.

Due to unlimited demand and finite supply of surplus property, the County does not donate property to charitable or non-profit organizations. They may bid for the items at the County auctions.

All surplus or obsolete property must have a transfer/disposal form completed with the various approval levels authorized.

PROCEDURES FOR PREPARATION OF REQUEST FOR PROPOSAL (RFP) FOR OBTAINING PROFESSIONAL SERVICES

The purpose of obtaining professional services is to offer to the County special expertise, practical experience and knowledge, resources and an objective outside professional opinion. The provisions and exemptions contained in Section 287.055, Florida Statutes (commonly known as the Consultants' Competitive Negotiation Act, "CCNA"), shall apply herein.

When the County seeks professional services for projects, the basic construction cost of which is estimated to be in excess of \$250,000, or for a planning or study activity when the fee for professional services is expected to exceed \$25,000, or is otherwise required by Section 287.055, Florida Statutes, the following steps apply:

STEP ONE

1. The department shall decide, based on the specific services needed, if professional services are required. This decision can be made once it is determined that in-house resources are not available to adequately provide such service.
2. The department shall outline specific needs and objectives for the proposers to satisfy.

3. The Department Head shall prepare the criteria and development of the proposal and should include, but not be limited to, the following:

- Introduction
- General Conditions
- Terms and Conditions
- Background
- Scope of Service
- Required Submittals
- Evaluation Criteria
 - A. For shortlisting
 - B. For final selection
- Proposal Schedule
- Selection Process

4. Purchasing policy requires RFP's to be advertised for a minimum of fourteen (14) calendar days. Requests for a period of time less than that must be approved by the Board. The public notice must include a general description of the project and must indicate how interested consultants may apply for consideration.

STEP TWO

1. A current (qualified) proposers list is prepared by the Purchasing Manager.
2. Interest letter of invitation concerning the RFP may be sent to proposers on the list prior to mailing out RFP's (optional).
3. The RFP will be advertised in a local publication a minimum of fourteen (14) calendar days prior to submission deadline.
4. RFP's will be mailed out to the firms on the proposers list and to those who have responded to the advertisement.
5. The user Department Head shall create a Selection Committee and shall provide reasonable notice and conduct Selection Committee meetings in accordance with Section 286.011, Florida Statutes (the Sunshine Law).
6. A copy of the RFP is issued to each member on the Selection Committee. Copies of the RFP will be issued to other interested persons as requested.
7. Upon receipt, all RFP's are clocked in at the Purchasing Office and held unopened until the opening date. RFP's are opened publicly at the time and place specified in the RFP and verified for compliance with requirements of the RFP.

STEP THREE

1. Proposal is distributed to the Selection Committee for review in accordance with established time frame.
2. The Selection Committee shall use the appropriate forms when shortlisting firms.
 - (a) The initial shortlist shall depict all firms submitting RFP's. A numerical rating shall be indicated for each firm. Also, each Selection Committee member's name shall be listed on the form.
 - (b) The Selection Committee shall shortlist the firms and then notify the Purchasing Manager and appropriate staff of the Committee's decision.
 - (c) All firms will then be notified by the Purchasing Manager or designee within a timely fashion (by telephone or fax) of the Committee's decision (shortlisted or not shortlisted). They will also be informed (if shortlisted) the scheduled day and time presentations will be made.
 - (d) Purchasing Manager or designee will send confirmation letters to each firm affirming the notice.
 - (e) The Purchasing Manager or designee will check references of each firm shortlisted using questions designed by the Selection Committee to elicit information on how the companies performed for others. A minimum of three (3) references will be contacted immediately by the Purchasing Manager or designee. The Purchasing Manager or designee will provide the results of this check to the Committee no less than two days prior to presentations.
 - (f) The Selection Committee shall rank the firms, when appropriate, after presentations. The ranking is noted on the appropriate form by each Committee member for each firm.
 - (g) The Committee Chairman shall inform the County Administrator of the ranking of the firms. The firms will then be notified of the date and time the Board will take action. An invitation will be extended to those firms to attend the meeting.
3. An Agenda Request will be prepared submitting the names of the top firms for the Board to rank or an Agenda Request ranking the top three (3) firms.

After the Board approves the top ranked firm, the County Administrator or designee will be authorized to negotiate a contract.

STEP FOUR

1. The County Administrator or designee will negotiate a contract with the top ranked firm.

2. Should the County Administrator or designee be unable to negotiate a satisfactory contract with the top ranked firm within a reasonable time, negotiations with that firm shall be formally terminated. The County Administrator or designee shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, the County Administrator or designee shall terminate negotiations. The County Administrator or designee shall then undertake negotiations with the third most qualified firm.

3. Should the County Administrator or designee be unable to negotiate a satisfactory contract with any of the selected firms, the County Administrator or designee shall, with the approval of the Board, select additional firms from the original shortlist to continue negotiations or re-advertise.

4. Once a satisfactory contract has been reached, the Board may approve the contract and authorize the Notice to Proceed.

For those projects which the basic construction cost is estimated to be less than \$250,000, or for a planning or study activity when the fee for professional services is expected to be less than \$25,000, then normal Purchasing policies will apply.

**PROCEDURES FOR PRE-QUALIFYING PROFESSIONAL/FIRMS
PRIOR TO ISSUING REQUEST FOR PROPOSAL (RFP)
(REQUEST FOR QUALIFICATIONS)**

If the County desires to pre-qualify professional/firms prior to the issuing of an RFP, the following steps will be taken:

STEP ONE

1. The Department Head shall decide if it is in the best interest of the County to pre-qualify professional firms after consultation with the County Administrator, Purchasing Manager and/or the County Attorney.

2. The Department Head shall prepare the criteria and development of the proposal and should include, but not be limited to the following:

- Professional credentials
- Past work experience
- Financial stability
- Approach to the project
- Ability to furnish required service
- Claims, both litigated and non-litigated

3. The proposal should contain the criteria and weighting factors upon which the Selection Committee will use to rank the proposals.

4. Purchasing policy requires RFQ's to be published once in at least one newspaper of general circulation in the County and at least fourteen (14) calendar days prior to the last day set for the receipt of bids or proposals. Requests for a period of time less than that must be approved by the Board.

STEP TWO

1. A bidders list is prepared by the Purchasing Manager.
2. Interest letter of invitation concerning the RFQ may be sent to bidders on the list prior to mailing out RFQ's (optional).
3. RFQ's will be mailed out to those on the bidders list and to those who have responded to the advertisement.
4. A copy of RFQ is issued to each member of the Selection Committee. Copies of the RFQ will be issued to other interested persons (i.e., Board, County Administrator, Department Heads, citizens, etc.) as requested.
5. Upon receipt, all RFQ's are clocked in at the Purchasing Office and held unopened until the deadline/opening date. RFQ's are opened publicly at the time and place specified in the RFQ and verified for compliance with requirements of the RFQ.

STEP THREE

1. Proposal is distributed to the Selection Committee for review in accordance with established criteria.
2. The Selection Committee shall use the appropriate forms when qualifying firms.
 - (a) The initial qualifying list shall depict all firms submitting RFQ's. A numerical rating shall be indicated for each firm. Also, each Selection Committee member's name shall be listed on the form.
 - (b) The Selection Committee Chairman shall notify the County Administrator of the final shortlist of professional firms who submitted an RFQ.
 - (c) An agenda request recommending approval of this shortlist will be submitted to the Board for consideration.

After the pre-qualified list has been approved, then Steps One through Four of the RFP process shall be followed.

DEFINITIONS

For the purposes of this Policy and any documents pertaining to the use of this Policy (e.g., contracts, purchasing orders, etc.), the following terms, phrases, words and their derivations shall have the meaning given herein, unless otherwise specifically defined in any specific document.

Account Number defines: a) fund; b) department; c) transaction; d) object code.

Addendum is a document used to expand or more fully explain the terms of a bid instrument (Invitation to Bid or Request for Proposals). An addendum is not to be confused with a contract amendment.

Agreement means all types of County agreements, regardless of what they may be called, for the purchase or disposal of supplies, services, materials, equipment or construction.

Appropriation is legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and also to the time when it may be expended.

Bid, Proposal or Quotation is any offer specifically given to the County in response to an Invitation.

Board is the Board of County Commissioners, the legislative body of the County of Flagler, Florida.

Brand Name or Equivalent Specification means a specification limited to one or more items by manufacturers' names or catalogue numbers to describe the standard of quality, performance, and other characteristics needed to meet the County requirements and which provide for the submission of equivalent products.

Business means any corporation, partnership, individual, sole proprietorship, joint venture, joint stock company, or any other legal entity, engaged in the commercial provision of commodities, services or labor.

Capital Asset/Equipment is any item of capital nature, of value exceeding \$750.00 and with an estimated life span of over one (1) year.

Capital Program is a plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which government is to have a part and specifies the full resources is available to finance the projected expenditures.

Capital Projects Fund is a fund created to account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed by proprietary funds, Special Assessment Funds, and Trust Funds).

Change Order means a written order amending the scope of, or correcting errors, omissions, or discrepancies in a contract or purchase order.

Commodity means a product that the County may contract for or purchase for the use and benefit of the County. It is a specific item and it is different from the rendering of time and effort by a provider.

Competitive Sealed Bidding (Invitation for Bid) means a written solicitation for sealed competitive bids used for the procurement of a commodity, group of commodities, or services valued more than the threshold for this category.

Confirming Order means a purchase order restating the same terms originally placed orally or in writing other than a purchase order.

Construction means the process of building, altering, repairing, improving, or demolishing any structure or building, or other public improvements of any kind to any real property including roadways, utilities, and facility site work.

Contract means all types of legally enforceable written County agreements regardless of what they may be called, for the purchase or disposal of supplies, services, materials, equipment or construction.

Contract Amendment or Modification means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quality, or other provision of any contract accomplished by mutual action of the parties to the contract.

Contractor means any business that contracts to perform work or services, or provides commodities to the County.

Contractual Services means the rendering by a contractor of its time and effort rather than the furnishing of specific commodities.

Cooperative Purchasing is procurement conducted by, or on behalf of, more than one public procurement unit.

County is the County of Flagler, Florida.

Data means recorded information, regardless of form or characteristic.

Designee means duly authorized representative of a person holding a superior position.

Electronic Requisition is a requisition entered into a computer and transmitted electronically via that mode into the finance system.

Emergency Purchase means any condition that may affect the health, safety, and welfare of the citizens of Flagler County. A purchase may be necessitated by a sudden unexpected turn of

events (e.g., including, but not limited to acts of God, riots, fires, floods, hurricanes, accidents or any circumstances or cause beyond the control of the agency in the normal conduct of its business) where the delay incident to competitive bidding would be detrimental to the interest of the County. It may also be a condition that stops or seriously impairs the necessary function of County government.

Employee means an individual drawing a salary from the County, whether elected or non-elected. For the purposes of this policy, it also means any non-compensated individual performing services for the County is to be governed by these rules.

Fiscal Year is a twelve (12) month period of time to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. Flagler County's fiscal year is from October 1 through September 30.

F.O.B or (Free on Board) is a term used in conjunction with an identified physical location to determine the responsibility and basis for payment of freight charges, and the point at which title for the shipment passes from seller to buyer. Commonly used deliveries are:

F.O.B. Destination means a shipment to be delivered to a destination designated by the buyer and the point at which the buyer accepts title. Generally best to use, then the shipper is responsible for any problems.

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

Fund is a fiscal and accounting entity with a self-balance set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and charges therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

General Fixed Assets are fixed assets used in operations accounted for in governmental funds. General fixed assets include all fixed assets not accounted for in proprietary funds or in Trust and Agency Funds.

Gratuity is a payment, loan, subscription, advance, deposit of money, service, or anything of more than nominal value, present or promised, inuring to the benefit of an employee, unless consideration of substantially equal or greater value is given by the employee.

Improvements are buildings, other structures, and other attachments or annexations to land which are intended to remain so attached or annexed, such as sidewalks, trees, drives, tunnels, drains and sewers. Sidewalks, curbing, sewers and highways are sometimes referred to as "betterment" but the term "improvements is preferred.

Invitation for Bid (Competitive Sealed Bidding) means a written solicitation for sealed competitive bids used for the procurement of a commodity, group of commodities, or services

valued more than the threshold for this category. The invitation for bids must be publicly advertised and has the title, date, and hour of the public bid opening designated and specifically defines the commodity, group of commodities, or services for which bids are sought. It includes instructions prescribing all conditions for bidding and shall be distributed to all prospective bidders simultaneously. The invitation for bids is used when the County is capable of specifically defining the scope of work for which a contractual service is required or when the County is capable of establishing precise specifications defining the actual commodity or group of commodities required.

Irregularity means any change or omission in an offer or contract that does not have an adverse effect on the County's best interest, and does not affect the outcome of the source selection process by giving an offeror an advantage or benefit not enjoyed by any other offeror, and, not inconsistent with applicable laws.

Inventory of Supplies is an asset account, which reflects the cost of supplies on hand for use in operations.

Invoice is an itemized list of goods shipped, specifying the price and quantity.

Joint Venture mean (1) a combination of contractors performing a specific job in which business enterprises participate and share a percentage of the net profit or loss: or (2) a joint business association of a minority individual(s)/firm(s) to carry out a single business enterprise for which purpose the individuals/firms combine their property, money, efforts, skills and/or knowledge.

Lien Waiver is a written statement declaring all payments have been made covering all materials and/or services rendered.

Machinery and Equipment is tangible property of a more or less permanent nature, other than land or buildings and improvement thereon. Examples are tools, trucks, cars, furniture, and furnishings.

Manufacturer means a person or firm engaged in the process of making, fabricating, constructing, forming or assembling a product(s) from raw, unfinished, semi-finished, finished, or recycled materials through a direct contract/agreement on behalf of the general contractor.

Material Mistake means any deviation or variance from the bid requirements or other mistake that gives one bidder a substantial advantage over other bidders. A non-material mistake is any mistake that does not affect price, give one bidder an advantage or benefit not enjoyed by other bidders and does not adversely affect the interests of the County.

Offer means any bid, proposal or quotation made to the County.

Offeror means any business submitting an offer to the County.

Operating Budget is a plan of current expenditures and proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending and service delivery activities of a government are controlled. Law usually requires the use of annual operating budget. Even where not required by law, annual operating budgets are essential to sound financial management and should be adopted by every government.

Option to Renew means a contract clause that allows a party to reinstate the contract for an additional term.

Ordinance is a formal legislative enactment by the governing board of a county or municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the county or municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has lower legal status. Ordinarily, the statutes will specify or imply those which may be by resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charge, universally require ordinances.

Person means any business, individual, committee, club, other organization, or group of individuals.

Pre-Bid Conference means a meeting held with prospective bidders prior to solicitation of, or the date of receipt of bids or proposals, to recognize state of the art limits, technical aspects, specifications, and standards relative to the subject, and to elicit expertise and bidders interest in pursuing the task.

Professional Services mean technical, and/or unique functions performed by independent contractors whose business is the rendering of such services. This includes accountants, appraisers, attorneys, auditors, medicine and the medical arts, architects, engineers, surveyors, management and systems consultants, research, the arts and other professionals as designated by the procurement services manager.

Purchase Order is the County's official legal document of contract between the County and contractor, issued separately or in conjunction with other documents, which delineates the responsibilities of both parties in the provision of and payment of goods and services required by the County. The purchase order is also the mechanism by which budgetary and cash balances are encumbered in the County's finance system.

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

Purchasing Manager means the County employee duly authorized to enter into and administer contracts and make written determinations with respect thereto under the terms of the purchasing policies of the Board.

Purchasing Quotes is the procurement procedure used to purchase commodities or contractual services with a value within the threshold amounts set for this category. Purchasing Quotes are conducted by obtaining either written or oral quotations from three or more vendors, do not require a public bid opening, and are awarded as per threshold limits and authorizations. Written evidence of all quotations must be maintained.

Pyramiding is the illegal act of combining two or more purchases to the same vendor within a specific period of time in order to acquire goods and/or services over the limitations and requirements set forth.

Recycled Content means materials that have been recycled and are contained in the products or materials to be procured, including, but not limited to, paper, plastic, aluminum, glass, and composted materials. The term does not include internally generated scrap that is commonly used in industrial or manufacturing processes or waste or scrap purchased from another manufacturer who manufactures the same or a closely related product.

Regulation or Resolution means a statement by the County having general or particular applicability and future effect, designed to implement, interpret, or prescribe law, policy, or practice.

Request for Proposals means a written solicitation for sealed proposals with the title, date, and hour of public opening designated. The request for proposals is used when the County is unable to specifically define the scope of work for which the commodity, group of commodities, or contractual service is required, and when the County is requesting that a qualified offer or propose a commodity, group of commodities, or contractual service to meet the specifications of the solicitation document. A request for proposals includes, but is not limited to, applicable laws and rules, functional or general specifications, statement of work, proposal instructions, and evaluation criteria.

Requisition is a written request to have commodities or services purchased.

Resolution is a special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Responsible means having the capability in all respects to perform fully the contract requirements and the experience, capacity, facilities, equipment, credit, sufficient qualified personnel, and having the integrity and reliability with a record of timely and acceptable past performance that will assure good faith performance.

Responsive means substantially conforming with all material respects to the requirements and criteria set forth in the invitation.

Services means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than those which are not defined as supplies and which are merely

incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements.

Small Purchases means the procurement of commodities or services with a value within the thresholds set for this category without the requirement of quotes, or bids, from at least three (3) vendors.

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

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

Specifications mean any description of the physical or functional characteristics of the nature of a material, supply, service, construction, or equipment item. It may include a description of any requirement for inspection, testing, recycled or degradable materials content, or preparing a material, supply, service, construction, or equipment item for delivery.

Statute is a written law enacted by a duly organized and constituted legislative body.

Supplier means a person or firm who engages in the selling of materials and supplies to contractors, subcontractors, and/or manufacturers for the purpose of constructing, repairing, altering, remodeling, adding to or subtracting from or improving any building, structure or property through a direct contract/agreement on behalf of the general contractor.

Surety Bond is a written promise to pay damages or to indemnify against losses caused by the party or parties named in the document, through nonperformance or through default. For example, a surety bond might be required of an independent contractor. Surety bonds also include Fidelity Bonds covering government officials and employees.

Surplus Property means any tangible personal property or real property in excess of the needs of the County and not required for its foreseeable need.

Tie (Identical) Bid is when two or more bids are equal with respect to price and it appears the quality and service offered by the vendors are otherwise comparable.

Using Agency is any department, division, agency, commission board, committee, authority or other unit in the County government using supplies or procuring contractual services as provided for in the Policy.

Vendor means any business that will be or has been awarded a contract by the County.

Work Order is a written order authorizing and directing the performance of a certain task and issued to the person who is to direct the work. Among the items of information shown on the order are the nature and location of the job, specifications or the work to be performed, and a job number which is referred to in reporting the amount of labor, materials and equipment used.

Adopted this _____ day of _____, 2002.

**BOARD OF COUNTY COMMISSIONERS
OF FLAGLER COUNTY, FLORIDA**

ATTEST:

Gail Wadsworth
Clerk and Ex Officio
Clerk to the Board

James A. Darby
Chairman

APPROVED AS TO FORM:

Carl E. Kern, County Attorney