

# Purchasing Policy



City of Clermont, Florida

## Table of Contents

A.	Purpose .....	4
B.	Scope.....	4
C.	Responsibilities .....	4
D.	Ethics .....	4
E.	Purchasing Methods .....	5
1.	Informal Purchasing.....	5
2.	Quote Request .....	5
3.	Request for Bid.....	6
4.	Request for Proposal.....	6
5.	Request for Qualification .....	6
6.	Request for Information .....	6
7.	Cooperative Purchasing .....	7
8.	Single/Sole Source Purchases .....	7
9.	Government Agency Contracts (Piggyback).....	7
10.	Emergency Purchases .....	7
11.	Non-Competitive Purchases .....	7
F.	Response Rejections .....	8
G.	Advertisement Requirements.....	8
H.	Purchasing Approvals .....	8
I.	Change Order Approval .....	10
J.	Contract Approval, Amendments, Renewal and Extension.....	10
K.	Appeal Procedures .....	11
L.	Disposal of Surplus Items .....	11
M.	Operating Procedures.....	11

N.	Minority Businesses .....	11
O.	Environmental Purchasing .....	12
P.	Authority.....	12

## **A. Purpose**

The purpose of this Policy is to ensure the City of Clermont procures goods and services in the most efficient and economical manner possible. This Policy also serves to ensure consistency of all purchasing activities that integrates with all of the City of Clermont operational areas.

## **B. Scope**

This Policy shall apply to all purchases of goods and services by the City.

## **C. Responsibilities**

The City's Purchasing Director will act as the principal procurement officer of the City and is responsible to ensure the Policy is followed by City departments. The Purchasing Director is the primary contact person for questions regarding the Policy and is responsible for the implementation of revisions on an as needed basis.

## **D. Ethics**

The City is committed to a purchasing process which fosters fair and open competition, is conducted under the highest ethical standards, and enjoys the complete confidence of the public. To achieve these purposes, the City subscribes to the following code of ethics:

- The City will avoid unfair practices by granting all competitive respondents equal consideration as required by State, Federal, and City regulations.
- The City will conduct business in good faith; demanding honesty and ethical practices from all participants in the purchasing process.
- The City will promote positive respondent and contractor relationships by affording respondent representatives courteous, fair, and ethical treatment.
- The City will make every reasonable effort to negotiate equitable and mutually agreeable settlements of controversies with a respondent.
- The City will avoid involvement in any transactions or activities that could be considered to be a conflict between personal interest and the interests of the City.

Employees must not become obligated to any suppliers and shall not participate in any City transaction from which they may personally benefit. Except as may be authorized by applicable State law, no Council Member or employee shall accept gifts or benefit of any kind from prospective bidders, vendors, or suppliers.

Except as authorized by applicable State law, no Council Member or employee shall bid for, enter into, or be in any manner interested in any contract for City purchase.

No Council Member or employee shall seek to influence the purchase of a product or service from any supplier or vendor. 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 counsel with respect to the purchase.

The avoidance of actual or perceived conflicts of interest is a prerequisite to the efficient and sound operation of the City and maintenance of the public trust.

## **E. Purchasing Methods**

In regards to the dollar threshold amounts indicated in the Purchasing Methods and Purchasing Approval sections of this Policy, the total cost of the purchase should be considered, not the cost of the individual items. In addition, purchases should not be artificially or purposely divided to circumvent the dollar threshold limits. A competitive bid process is a transparent method in which competing suppliers are invited by openly advertising the scope, terms and conditions, and evaluation criteria. The award is made to the lowest responsive and responsible bidder meeting the qualifications and specifications. The goal is to obtain goods and services at the lowest price by stimulating competition. The following methods shall be used in the purchasing of goods and services for the use of the City:

### 1. Informal Purchasing

Informal purchasing may be used for the purchase of goods and services costing less than \$5,000. While written quotes and bids are not necessary for items or services costing less than \$5,000 or specifically excluded in applicable State law, every effort should be made to ensure goods and services are being purchased in the most efficient and cost effective manner possible.

### 2. Quote Request

At least three (3) written quotes must be obtained for the purchases of goods and services costing from \$5,000 to \$24,999. If at least three (3) written quotes are not possible, a written explanation of such must be approved by the Department Director or Purchasing Director based on Purchasing Approvals (see Section H). The supporting documentation must be included in the automated purchase order system and accompany the invoice for payment.

Quote award must be based on qualifications of the prospective vendor, acceptability of the product, delivery time, inventories, past performance, degree of compliance with requirements, price and other circumstances that will encourage delivery of the best products and services.

### 3. Request for Bid

Except as otherwise provided herein, the Request for Bid (RFB) is a formal solicitation required for purchases of goods and services costing at least \$25,000 when the City is capable of specifically establishing precise specifications defining the actual commodity or contractual services. Responses to the RFB must be received in a sealed bid format, opened and read aloud at a specific date, time and location. All RFB's must be administered by the Purchasing Department.

### 4. Request for Proposal

Except as otherwise provided herein, the Request for Proposal (RFP) is a formal solicitation required for the purchase of goods and services costing at least \$25,000 when the City cannot specifically define the scope of work or when it is not practical or advantageous to procure by competitive sealed bidding. The proposer provides detailed information in response to the RFP which may result in a contractual agreement. The RFP process does allow for negotiation in the scope of services, terms and conditions, price, and delivery. All RFP's must be administered by the Purchasing Department.

### 5. Request for Qualification

Except as otherwise provided herein, the Request for Qualification (RFQ) is a formal solicitation required in the acquisition of professional services costing at least \$25,000. RFQ proposals primarily indicate information regarding the education and experience background of the respondent. Price is not to be indicated in the initial RFQ but it is negotiated with successful respondent. If the RFQ is for professional architectural, engineering, landscape architectural or surveying and mapping services, then the rules of applicable State law shall apply. All RFQ's must be administered by the Purchasing Department.

### 6. Request for Information

The Request for Information (RFI) method is used to help gather information about a product or service in order to make a decision. The RFI may also be used to collect detail information about potential suppliers and their capabilities; to advise potential suppliers of the City's intent to purchase a certain product or service; and to show that the City is acting in a fair manner and including all potential participants. The RFI may be utilized for any threshold dollar amount. All RFI's must be administered by the Purchasing Department.

### 7. Cooperative Purchasing

The Purchasing Director shall have the authority to join with other units of government agencies in cooperative purchasing ventures when the best interest of the City would be served and the purchase is in accordance with the City's Purchasing Policy.

### 8. Single/Sole Source Purchases

The competitive bid process is waived when it is determined and substantiated in writing, after conducting a good faith review of available sources, that there is only one source for the goods and services. Price, scope, terms and conditions may be negotiated whenever possible and a record of single/sole source procurement shall be maintained by the Purchasing Department. A written justification of the single/sole source purchase must be approved by the Purchasing Director prior to the purchase and accompany the invoice for payment.

### 9. Government Agency Contracts (Piggyback)

The competitive bid process is waived in the event that the desired goods and services may be purchased from other governmental agencies when such contracts are the result of a competitive public procurement process. The criteria to piggyback a governmental agency contract includes having an active contract with specific scope of services and a competitive bid tabulation or scoring matrix of the solicitation. All purchases pursuant to other government agency contracts must be administered by the Purchasing Director.

### 10. Emergency Purchases

The competitive bid process is waived when the normal functioning and operation of the City would be hampered or where property, equipment, public health or life could be endangered through unexpected circumstances by adhering to the usual purchasing procedures. A written justification detailing the complete circumstances of the emergency and probable consequences along with supporting documentation of the emergency purchase must be approved by the City Manager prior to the purchase. The approval must accompany the invoice for payment. The City Manager shall notify the City Council detailing the emergency and place an agenda item when the purchase exceeds \$50,000. Lack of planning does not constitute an emergency.

### 11. Non-Competitive Purchases

The competitive bid process is waived when it is determined that it is neither practical, feasible nor advantageous to the City in securing goods and services. A bid waiver detailing the circumstances, uniqueness, timeliness of purchase, and why it is in the City's best interest must be approved by the City Manager and accompany the invoice for payment. Price, scope, terms and conditions may be negotiated whenever

possible. Non-competitive purchases exceeding \$50,000 will require City Council approval.

#### **F. Response Rejections**

In all of the above stated purchasing methods, the Purchasing Director has the authority to reject any or all responses after the solicitation due date when it has been determined that the respondent(s) is non-responsive or award recommendation is not in the best interest of the City. In the event of a Request for Proposal or Qualification, where there is an Evaluation Committee established to review the responses, the Evaluation Committee must authorize the Purchasing Director to reject any or all responses.

#### **G. Advertisement Requirements**

Formal solicitations such as Request for Bids, Request for Proposals and Request for Qualifications must be advertised at least once in a newspaper of general paid circulation which is published at least five (5) days a week in Lake County. Other publications may be used in addition to this requirement to reach selected markets.

Adequate public notice of formal solicitations with estimated value less than \$200,000 must be given a minimum of seven (7) days from the solicitation due date. Formal solicitations with projected cost greater than \$200,000 must appear at least twenty-one (21) days prior to the solicitation due date and at least five (5) days prior to any scheduled pre-submission meeting. Formal solicitations for construction projects that are projected to cost more than \$500,000 must be advertised at least thirty (30) days prior to the solicitation due date and at least five (5) days prior to any scheduled pre-submission meeting.

Quote Requests and Requests for Information are not required to be advertised in the newspaper.

#### **H. Purchasing Approvals**

The following purchasing approvals apply to City employees to purchase goods and services where the value of the full purchase is, or is expected to be, the following purchase amounts.

<b><u>Purchase Amount</u></b>	<b><u>Approver</u></b>
Less Than \$1,000	Supervisor or Manager

<p>From \$1,000 to \$14,999</p>	<p>Department Director or designee, if the cost of goods and services to be purchased is included in the approved budget for the department.</p> <p>City Manager or designee, if the item or service is <b>not</b> included in the approved budget for the department and a budget amendment is <b>not</b> necessary.</p> <p>City Council, if the item or service to be purchased is <b>not</b> included in the approved budget for the department and a budget amendment is necessary.</p>
<p>From \$15,000 to \$24,999</p>	<p>Purchasing Director or designee, if the item or service to be purchased is included in the approved budget for the department.</p> <p>City Manager or designee, if the item or service is <b>not</b> included in the approved budget for the department and a budget amendment is <b>not</b> necessary.</p> <p>City Council, if the item or service to be purchased is <b>not</b> included in the approved budget for the department and a budget amendment is necessary.</p>
<p>From \$25,000 to \$49,999</p>	<p>City Manager or designee, if the item or service to be purchased does <b>not</b> require a budget amendment.</p> <p>City Council, if the item or service to be purchased requires a budget amendment.</p>
<p>\$50,000 or greater</p>	<p>City Council</p>

## **I. Change Order Approval**

To avoid a delay in the progress of any project, the Purchasing Director, City Manager or designee may approve, without further Council action, a change order to an existing contract provided the change order is within the overall scope of the project, does not exceed the greater of ten percent (10%) of the original contract amount or \$100,000 for construction projects, or does not exceed \$49,999 for non-construction projects, and the funds are available in the approved budget for the Department. If the change order is in excess of the above threshold or if the increase in cost requires a budget amendment, the change order must be approved by the City Council. The Purchasing Director will ensure the scope of services is in accordance with the contract specifications.

No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders must be approved in writing by the City prior to the work commencing unless the delay in receiving City approval causes serious threat to the public health, safety or welfare, or will result in significant additional cost to the City due to delay. Under any circumstance, work to be performed under the change order shall not begin until all written approvals have been received. Any work completed by the contractor without required written approvals will be the sole responsibility of the contractor, not the City.

## **J. Contract Approval, Amendments, Renewal and Extension**

The Purchasing Director, City Manager or designee is authorized to approve and execute contracts if the total contract amount does not exceed the Purchasing Approval limit (see Section H) and funds are available in the approved budget for the Department. This includes, but is not limited to, service or maintenance agreements, awards on proposals, competitive negotiated agreements, and consultant services agreements. All contracts with a total value of \$50,000 or greater, one-time or annual basis, shall require City Council approval.

The Purchasing Director, City Manager or designee is authorized to approve any change to a contract that alters the terms and conditions or provides a change in the scope which total value does not exceed the Purchasing Approval limit (see Section H). Such changes must be signed and approved in a formal amendment. All amendments with total contract amount of \$50,000 or greater shall require City Council approval.

The Purchasing Director is authorized to renew approved contracts as long as such action is in accordance with the terms, conditions, and renewal period specified in the original contract and the total dollar amount of the contract is within the City's approved budget. Contract renewals beyond six (6) years from the date of the original contract shall require City Council approval.

The Purchasing Director is authorized to extend approved contracts for a period of no more than one-hundred eighty (180) calendar days when the extension serves the best interest of the City. Contract extensions exceeding one hundred eighty (180) calendar days shall require City Council approval.

#### **K. Appeal Procedures**

A respondent to a City solicitation may only appeal any determination, decision or recommendation of the Purchasing Director, in accordance herewith. All appeals must be in writing and sent via certified mail or delivered in person to the City Manager within three (3) business days of issuance of such determination, decision or recommendation. The City Manager shall administer the appeal and will render a decision within seven (7) business days of receiving the appeal. The decision by the City Manager will be final and will represent the position of the City.

All appeals must set forth the specific reason and facts concerning the dispute. Any appeal based exclusively on disagreement with the technical judgment of evaluators is subject to summary rejection unless there is clear and convincing evidence of arbitrary or capricious action in that regard. In the event of a timely appeal, the City shall not proceed further with the solicitation or with the award of the bid/contract unless the City Manager, after consultation with the Department Director(s) and City Attorney, forwards to the City Council a written request to award the bid/contract without delay in order to protect the public health, safety or general welfare and the City Council approves said request.

#### **L. Disposal of Surplus Items**

All tangible and intangible City property must be declared surplus by City Council prior to being disposed of. The Purchasing Director is responsible for the disposition of surplus items that have been declared surplus by the City Council. The Purchasing Director shall have the authority to sell by auction or advertised bid, trade, donate or sell to another government entity, destroy, scrap, classify as waste, or dispose of excess surplus and obsolete supplies or personal property, regardless of the dollar amount. Records of such disposition shall be maintained in the Purchasing Department.

#### **M. Operating Procedures**

The City Manager is authorized to approve specific operating procedures to implement this Policy.

#### **N. Minority Businesses**

Minority businesses shall be ensured to have an equitable opportunity to participate in the City's procurement process.

## **O. Environmental Purchasing**

Environmental purchasing is defined as the procurement of goods and services that have less environmental and social impacts than competing products and services. The Purchasing Director shall encourage wherever possible, specifications which provide for expanded use of durable goods and reusable goods containing the maximum post-consumer waste and recyclable content without affecting the intended use. Environmental factors to be considered may include recycled content, pollutant releases, waste generation, energy consumption, depletion of natural resources and potential impact on human health and the environment.

## **P. Authority**

**Approved and adopted by the Clermont City Council by Resolution Number 2019-29R on November 12, 2019.**



*CITY OF CLERMONT*  
**RESOLUTION NO. 2019-29R**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLERMONT, LAKE COUNTY, FLORIDA ADOPTING A PURCHASING POLICY AS AUTHORIZED IN ORDINANCE 264-C, CITY OF CLERMONT CODE OF ORDINANCES; REPEALING ALL PRIOR RESOLUTIONS IN CONFLICT HERewith; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Council of the City of Clermont has adopted Ordinance 264-C of the Code of Ordinances authorizing the adoption of a Purchasing Policy;

**NOW, THEREFORE, BE IT RESOLVED**, that the City of Clermont Purchasing Policy is hereby adopted as follows:

**SECTION 1.**

The City Council does hereby adopt the City of Clermont Purchasing Policy as set forth in Attachment A, attached hereto and incorporated herein. The City Council of the City of Clermont may amend the Purchasing Policy by Resolution when deemed necessary and in the best interest of the City of Clermont.

**SECTION 2.**

Any resolution previously adopted by the City Council and in conflict herewith is hereby repealed to the extent of the conflict.

**SECTION 3.**

This Resolution shall take effect immediately upon its adoption.



*CITY OF CLERMONT*  
**RESOLUTION NO. 2019-29R**

**DONE AND RESOLVED** by the City Council of the City of Clermont, Lake County, Florida this 12th day of November, 2019.

CITY OF CLERMONT

  
Gail L. Ash, Mayor

ATTEST:

  
\_\_\_\_\_  
Tracy Ackroyd Howe, City Clerk

Approved as to form and legality:

  
\_\_\_\_\_  
Daniel F. Mantzaris, City Attorney