

TREASURE COAST REGIONAL PLANNING COUNCIL

MEMORANDUM

To: Council Members AGENDA ITEM 8C

From: Council's Budget and Personnel Committee

Date: May 18, 2018 Council Meeting

Subject: Proposed Amended Purchasing Policy

Introduction

Members of the Budget and Personnel Committee met on April 20, 2018, to discuss a proposed amendment to the Purchasing Policy. Committee members in attendance were Committee Chairman Peter O'Bryan, Commissioner Doug Smith, Councilman Jeff Hmara, Vice Mayor Mack Bernard, Commissioner Hal Valeche, Council Chairman Reece Parrish, and Councilwoman Jolien Caraballo (alternate). Council staff members in attendance were Michael Busha, Thomas Lanahan, and Liz Gulick. Council's attorney, Keith Davis was also in attendance. The Budget and Personnel Committee reviewed staff's proposal and recommended that the amendments be presented to Council for approval.

Background

Council's Purchasing Policy establishes policies related to the purchase of goods and services by Council in the conduct of its activities. The policy was last revised on December 20, 2012. This update is intended to bring Council's purchasing policies into compliance with current law and techniques as well as enhance the organization and scope. The Budget and Personnel Committee has the responsibility to review the proposed amendment and to provide a recommendation to Council for action at their May 18, 2018 meeting.

Analysis

Staff performed a review of Council's Purchasing Policy and identified a number of proposed changes that will improve clarity, align the document with administrative practices at Council, incorporate current techniques, and expand the scope to encompass all purchasing activities at Council while still meeting the requirements of our local, state, and federal funding partners. The document was also reviewed by Council's Attorney and suggested revisions incorporated. Due to the extensive nature of the reorganization and scope change, the entire document is proposed to be replaced. Attached is the proposed new policy and, for reference, the existing policy from 2012.

Recommendation

The Budget and Personnel Committee should approve the proposed amended Purchasing Policy and authorize staff to present the updated policy for Council's approval at its May 18, 2018 meeting.

Attachment

# **TREASURE COAST REGIONAL PLANNING COUNCIL**

## **PURCHASING POLICY**

**As approved at the Council meeting of May 18, 2018**

TCRPC  
Purchasing Policy

## **Section 1. General Purpose and Standards**

- A. The purpose of this purchasing policy is to promote efficient procedures for the purchase of goods and services, provide fair and equitable treatment of all persons who transact business with the Council, provide open and free competition, and maximize the value of public funds. The procurement of goods, contractual services, and construction services shall be conducted through adherence to the highest standards of ethics, professionalism, and impartiality in the conduct of business transactions.
- B. Prior to purchase, a lease versus purchase analysis shall be performed when applicable.
- C. No Council employee, consultant, elected official, appointed official, governing board member, or designated agent of the Council shall take part in or have any interest in the award of any procurement transaction if a conflict of interest, real or apparent, exists. Conflict of interest is as defined in Council's Personnel Policy and Procedures Manual.
- D. When using "brand name or equal" in a description of a product in an invitation to bid or request for proposal, the specific features that are required to be met shall be listed.
- E. To the extent practicable and economically feasible, products and services dimensioned in the metric system of measurement are acceptable.
- F. A preference, to the extent practicable and economically feasible, shall be made for products and services that conserve natural resources, protect the environment, and are energy efficient.

## **Section 2. Organization**

- A. Except as otherwise provided herein, the Accounting Manager shall be the purchasing agent and shall act as the principal public purchasing officer responsible for the procurement of goods and services as well as the disposal of excess or obsolete equipment and supplies.
- B. Under the direction of the Executive Director, the purchasing agent shall:
  - 1. Administer the purchasing function for the Council, including providing guidance and assistance to program managers and other staff initiating purchases.
  - 2. Establish and implement policies and procedures for the procurement of goods and services, and disposal of excess or obsolete equipment and supplies consistent with the provisions of this policy and applicable state statutes.
  - 3. Purchase or contract for goods and services in accordance with provisions of this policy.
  - 4. Maintain an inventory of commodities and supplies commonly used by the Council.

5. Maintain a current list of vendors that supply goods and services purchased by the Council, and maintain files and records of procurement activities.
6. Ensure that there exists a sufficient appropriation of funds for the procurement of goods and services prior to the execution of contracts, issuance of purchase orders, or otherwise making a purchase.

### **Section 3. Procurement of Goods and Services**

- A. General: Unless otherwise provided herein or by state or federal law, goods and services with a value in excess of thirty-five thousand dollars (\$35,000.00) or the threshold amount provided for in CATEGORY TWO in F.S. § 287.017, whichever is greater, shall be procured through competitive solicitation processes or as set forth herein. A competitive solicitation in the form of an invitation to bid, request for proposals, request for qualifications, request for information or invitation to negotiate, shall be made available simultaneously to all vendors, must include the time and date for receipt of bids, proposals, replies, the public opening, and must include all contractual terms and conditions applicable to the procurement, including the evaluation criteria to be used in determining acceptability and relative merit of the bid, proposal or reply.
- B. Cone of Silence: Competitive solicitations must also include a prohibition on respondents to solicitations from contacting any Council employee or Council governing board member from the time of the release of the solicitation until contract award, except in writing to the purchasing agent or designee.
- C. Invitation to Bid: The bid process shall be used when the scope of work for a contractual service can be clearly defined or when specifications for the required goods can be precisely defined.
  1. The bid documents will include a detailed description of the goods and contractual services sought including whether a contract will be renewed. Such description shall not unduly restrict competition and shall include a range of acceptable characteristics or minimum acceptable standards.
  2. The contract will be awarded to the responsible and responsive bidder who submits the lowest bid.
- D. Request for proposals: The request for proposal process will be used when the purposes and uses for which the goods, group of goods, or contractual services can be defined and various combinations or versions of the goods and contractual services may be proposed by a responsive vendor to meet the specifications of the solicitation document.
  1. The request for proposals will include terms and conditions, scope of work, evaluation criteria and relative importance of price and other evaluation criteria, and whether an awarded contract will be renewed. Such terms and conditions shall not unduly restrict competition.

2. The contract will be awarded to the responsible and responsive proposer whose proposal is determined to be the most advantageous to the Council, taking into consideration the price and other evaluation criteria set forth in the request for proposal.

E. Alternate source selection:

1. *Purchases utilizing contracts of other entities:* Despite any requirements of this policy, the purchase of goods and services under a current contract with a federal, state or municipal government or any other governmental agency, political subdivision, or government-related association, may be made providing that the originating entity utilized a competitive process substantially similar to that used by the Council.
2. *Cooperative purchases:* The Council may participate in, sponsor, conduct, or administer a cooperative purchase with other government entities for the procurement of goods and services.
3. *Emergency purchase:* The Executive Director may authorize emergency purchases when a threat exists to public health, safety or welfare, or other substantial or potential loss to the Council's assets that requires urgent action. The written basis for the emergency shall be provided to the Council governing board and included in the contract file.
4. *Sole and single source purchases:* The Executive Director may make or authorize the purchase of goods and services without competitive solicitation when the employee requesting the purchase has documented in writing and provided information supporting the fact that the goods or service requested is the only item that meets the specified requirements and the goods or service is only available through one source.
5. *Purchases from other governmental entities:* The Council may purchase goods or services directly from the federal government, any state or political subdivision thereof, or any municipality.
6. *Direct purchases:* Materials or supplies may be procured directly from vendors where such supplies or materials are being procured by the Council as an owner direct purchase for incorporation into a public works project, the contract for which was previously awarded by the Council, which prior award included the cost of such supplies and materials. In such event, the Council shall procure the supplies or materials in accordance with Florida Statutes and regulations related to owner direct purchases by governmental entities.

- F. Unless otherwise provided herein, goods and services with a value less than the threshold established in Section 3.A above shall be procured through an informal competitive solicitation process to the extent practicable through a request for quote process or the alternate source selection methods specified in Section 3.E. The request for quote shall be an oral, electronic or written request for pricing of goods and services in accordance with the following thresholds:

1. For goods and services with a value greater than ten thousand dollars (\$10,000.00) and less than thirty-five thousand dollars (\$35,000.00), or the threshold amount provided for CATEGORY TWO in F.S. § 287.017, the purchasing agent shall electronically post a description of the goods and services sought for at least seven (7) business days. The posted information shall include the scope of work, specifications for goods, and the response forms to be used by vendors in response to the request for quotation.
2. For goods and services with a value between five thousand dollars (\$5,000.00) and nine thousand nine hundred ninety-nine dollars (\$9,999.00), a minimum of three (3) written quotes are required.
3. For goods and services with a value between one thousand dollars (\$1,000.00) and four thousand nine hundred ninety-nine dollars (\$4,999.00) a minimum of three (3) written and/or verbal quotes are required.
4. For goods and services with a value less than one thousand dollars (\$1,000.00), effort shall be made to get the lowest and best price but multiple quotes are not required.

#### **Section 4. Professional Services**

- A. The procurement of professional architectural, engineering, landscape architectural, or surveying and mapping services shall be conducted in accordance with the requirements of F.S. § 287.055, the "Consultants' Competitive Negotiation Act." The procurement of professional services that are exempt from the requirements of F.S. § 287.055 shall be made in accordance with the purchasing policy.
- B. The procurement of a professional auditor for financial auditing services within the scope of F.S. ch. 218 shall comply with the requirements of F.S. § 218.39.

#### **Section 5. Exemptions**

- A. The procurement policy shall not apply to:
  1. The procurement of dues and memberships in trade or professional organizations; registration fees for trade and career fairs; subscriptions for periodicals and newspapers; advertisements; postage; expert witness; legal and mediation services; professional medical services; real property interests; abstracts of title for real property; title searches and certificates; title insurance for real property; real estate appraisal services; water, sewer, telecommunications, gas, and electric utility services; copyrighted materials or patented materials including, but not limited to, technical pamphlets, published books, maps, testing, or instructional materials; fees and costs of job-related seminars and training.
  2. Agreements between the Council and other government or nonprofit organizations that provide for the transfer, sale, or exchange of goods and services.

3. Rental of meeting space.
4. Persons or entities retained as “expert consultants” in the fields of urban planning, design, economic analysis, retail, transportation, economic development, emergency preparedness and training, and graphic design as exempt from F.S. § 287.055.
5. Purchase of food items.
6. Artistic services or works of art.
7. Travel expenses, hotel accommodations and hotel services.
8. Entertainment and entertainment-related services for Council-sponsored events.
9. Purchase of motor vehicle license plates from a governmental agency.
10. Persons or entities retained as "expert consultants" to assist the Council in litigation, or in threatened or anticipated litigation.
11. Educational or academic programs.
12. Proprietary software applications.
13. Full or part-time contractual employees or independent contractors.
14. Any services identified in F.S. § 287.057, as may be amended from time to time, as being exempt from competitive bid/request for proposal requirements.

## **Section 6. Contracts**

- A. The procurement of goods or services shall be evidenced by a written agreement or purchase order embodying all the provisions and conditions of the procurement of such goods and/or services, including compliance with applicable regulations, statutes, and grant requirements.
- B. Agreements for consultants shall include a detailed task assignment, specific deliverables, not to exceed costs, and timelines.
- C. Agreements for goods or services in excess of thirty-five thousand dollars (\$35,000) or the threshold amount for CATEGORY TWO provided in F.S. § 287.017, whichever is higher, procured through a formal competitive selection process must be approved by the Council governing board.
- D. As required by the Interlocal Agreement, agreements and purchase orders for any single item of either equipment or goods with a value in excess of five thousand dollars (\$5,000.00) must be approved by the Council governing board.

- E. All other agreements and purchase orders for goods or services must be approved by the Executive Director in consultation with the purchasing agent.
- F. Contracts may be renewed or extended for a period that does not exceed five (5) years or the term of the original contract whichever is longer.
- G. Contract administration will be the responsibility of the Program Manager in consultation with the Executive Director and the purchasing agent.
- H. Contract change orders must be authorized in writing subject to the limitations of Section 6.C through F, provided that the change does not materially alter the character of the work contemplated by the contract and sufficient budgeted funds are available.

### **Section 7. Surplus Equipment and Supplies**

- A. There shall be no transfer, sale, trade, or other disposal of equipment, materials and supplies owned by the Council, without written authorization of the Executive Director or Deputy Executive Director.
- B. The Executive Director shall establish policies and procedures for disposal of surplus goods and equipment that provides the best value to the Council, consistent with the provisions of this policy, and recognizing that some assets may be deteriorated such that they have essentially no market value.
- C. Surplus equipment, materials and supplies will be offered for sale through public auctions, established markets, posted prices or other appropriate methods including donation to other government entities and non-profit organizations.
- D. Disposal shall consider opportunities for recycling, free transfer, and other environmentally sound approaches.