



Item No. 136

# AGENDA ITEM REQUEST FORM

**Town Manager**

**Connie Hoffmann**

Department Submitting Request

Dept Head's Signature

**REGULAR**  
**COMMISSION MTG**  
**Meeting Dates - 7:00 PM**

**DEADLINE TO**  
**Town Clerk**

**ROUNDTABLE**  
**MEETING**  
**Meeting Dates - 7:00 PM**

**DEADLINE TO**  
**Town Clerk**

- April 27, 2011
- May 24, 2011
- June 28, 2011
- July 26, 2011

- April 15 (5:00 pm)
- May 13 (5:00 pm)
- June 10 (5:00 pm)
- July 15 (5:00 pm)

- April 12, 2011
- May 10, 2011
- June 14, 2011
- July 12, 2011

- April 1 (5:00 pm)
- April 29 (5:00 pm)
- June 3 (5:00 pm)
- July 1 (5:00 pm)

\*Subject to Change

- |  |   |                                       |                                       |
|--|---|---------------------------------------|---------------------------------------|
| <input type="checkbox"/> Presentation          | <input type="checkbox"/> Reports        | <input type="checkbox"/> Consent      | <input type="checkbox"/> Ordinance    |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Quasi Judicial | <input type="checkbox"/> Old Business | <input type="checkbox"/> New Business |

**PRIORITY ITEM FY2011**

**SUBJECT TITLE: Resolution 2011-10 - REVISION TO THE PURCHASING MANUAL TO ADD THE RFQ PROCUREMENT PROCESS**

**EXPLANATION:** The Commission has directed that the proposed revisions to the Town's Purchasing Manual be sent to the Audit Committee for review, which is being done. However, at the Roundtable meeting of April 12<sup>th</sup>, the Commission agreed that the Town Manager could utilize the proposed RFQ process in a procurement for professional services that is currently being prepared. The Town Attorney feels that the existing Purchasing Manual should be revised to incorporate the RFQ process to assure the legal defensibility of the use of the RFQ process. This amendment accomplishes that. The only changes are the addition of a definition of RFQ on page 8, the renumbering of the definitions on pages 8 -10, and the addition of a description of the RFQ process on pages 29 and 30.

**RECOMMENDATION: Adopt the Resolution amending the Purchasing Manual**

**EXHIBITS:** Resolution 2011- 10  
Exhibit A: Purchasing Manual with revisions incorporating an RFQ process

**FISCAL IMPACT AND APPROPRIATION OF FUNDS:**

- |   |  |                |
|---|--|----------------|
| <input type="checkbox"/> Amount \$ _____            | <input type="checkbox"/> Acct # _____      | Not Applicable |
| <input type="checkbox"/> Transfer of funds required | <input type="checkbox"/> From Acct # _____ |                |

Reviewed by Town Attorney  
 Yes  No

Town Manager Initials CH

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11

**RESOLUTION 2011-10**

**A RESOLUTION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA AUTHORIZING CHANGES IN THE TOWN'S PURCHASING MANUAL BY PROVIDING FOR INCORPORATION IN THE MANUAL OF A REQUEST FOR QUALIFICATION PROCESS; PROVIDING FOR REPEAL OF ANY CONFLICTING RESOLUTION, SEVERABILITY, AND AN EFFECTIVE DATE.**

12       **WHEREAS**, The Town of Lauderdale-By-The-Sea ("Town") wishes to provide for  
13 certain changes to the Purchasing Manual so as to incorporate in the Manual a procedure for a  
14 Request for Qualifications Process.

15       **NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF**  
16 **THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA:**

17       **Section 1. Recitals.** Each "WHEREAS" clause set forth is true and correct, and  
18 herein incorporated by this reference.

19       **Section 2. Amendment to Purchasing Manual.** The Purchasing Manual is hereby  
20 amended to provide for a Request for Qualification Process as provided in the underlined section  
21 in the attached Exhibit "A".

22       **Section 3. Implementation.** The Town Manager or his or her designee and the Town  
23 Attorney are authorized to take all actions necessary to implement the new provisions of the  
24 Purchasing Manual.

25       **Section 4. Conflict.** All resolutions or parts of resolution in conflict herewith are  
26 hereby repealed to the extent of such conflict.

27       **Section 5. Severability.** If any clause, section or other part of this resolution shall be  
held by any court of competent jurisdiction to be unconstitutional or invalid, such

---

28 unconstitutional or invalid part shall be considered as eliminated and in no way affecting the  
29 validity of the other provisions of this resolution.

30 **Section 6. Effective Date.** This resolution shall become effective immediately upon  
31 its passage.

32 **PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

33  
34  
35  
36  
37  
38  
39

\_\_\_\_\_  
Mayor Roseann Minnet

40 Attest:

41  
42  
43  
44  
45  
46  
47  
48  
49  
50

\_\_\_\_\_  
June White CMC, Town Clerk  
(CORPORATE SEAL)

51 APPROVED AS TO FORM:

52  
53  
54  
55

\_\_\_\_\_  
56 Susan L. Trevarthen, Town Attorney  
57

**Section**

**I**

# Authority and Purpose Of Purchasing Manual

---



## I. Authority and Purpose Of Purchasing Manual

This Purchasing Manual sets forth the policies and procedures to be followed by Town employees whenever goods and/or services are being acquired or disposed of by the Town of Lauderdale-By-The-Sea, Florida (hereinafter "Town" or "LBTS"). The requirements contained in this Purchasing Manual must be strictly adhered to. Non-compliance with the provisions of this Purchasing Manual may lead to disciplinary action.

The purpose of this Purchasing Manual is to set forth the procedure that Town employees or agents must follow to obtain the goods and services needed by LBTS while:

- complying with the legal requirements of public procurement,
- assuring vendors impartial equitable treatment,
- receiving maximum value for each public dollar expended,
- providing the proper quantity and quality of goods and/or services at the time and place required, and
- purchasing only properly authorized goods and/or services for which funds have been appropriated and not previously encumbered.

All parties involved in the negotiation, development, performance, or administration of LBTS contracts must act in good faith. However, in any situation where compliance with this Purchasing Manual will place LBTS in conflict with state or federal law, LBTS shall comply with applicable federal or state law or authorized regulations which are mandatorily applicable and which are either not reflected in this Purchasing Manual or are contrary to provisions of this Purchasing Manual.



Section

**III**

Definitions

---



7. ——— 7. ——— **Capital Purchases** means all tangible personal property having an original acquisition cost of \$1,000.00 or more per unit and a life expectancy of more than one year, including, but not limited to, the purchase of software.
8. ——— 8. ——— **Change Order** is a written order amending a purchase order to correct errors, omissions, discrepancies, acceptable overruns, freight costs, or to amend a contract when the cost to the Town will increase or decrease.
9. ——— 9. ——— **Commodities** include but are not limited to goods, equipment, materials and printing which is purchased, leased or otherwise contracted for by LBTS.
10. ——— 10. ——— **Competitive Bids or Competitive Offers** means bids or offers submitted by responsive qualified bidders or offerors.
11. ——— 11. ——— **Competitive Selection and Negotiation** is a method of acquiring professional services whereby qualified professional firms are invited to submit proposals or qualifications are short listed by an appropriately appointed evaluation committee, are selected, and thereafter engage in negotiations for compensation.
12. ——— 12. ——— **Construction** means the process of building, altering, repairing, improving or demolishing any structures, buildings or improvements to real property. It does not include the routine operation, repair or maintenance on existing structures, buildings or real property.
13. **Construction Change Order** is a written order directing the contractor to make changes in the scope of work or compensation to be paid pursuant to an existing contract.
14. ——— 14. ——— **Consultant's Competitive Negotiations Act (CCNA)** is the common name for *Section 287.055 of the Florida Statutes* concerning the procurement of Architectural, Engineering (including testing), Landscape Architecture and Registered Land Surveying Services.
15. ——— 15. ——— **Contract** means written agreements.
16. ——— 16. ——— **Contractor** means any person or business having a contract with LBTS to perform a service or sell a product.



## II. Definitions

For the purpose of these procedures the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural numbers include the singular number, words in the masculine gender included the feminine, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

### A. APPLICABILITY

As used throughout this Purchasing Manual the words and terms defined in this Section shall have the meanings set forth below unless the context in which they are used clearly requires a different meaning or a different definition as prescribed for a particular Section or portion thereof.

### B. DEFINED TERMS

1.       ~~1.~~       **Addendum** means a written or graphic instrument issued prior to the opening of bids or proposals which clarifies, corrects or changes the bidding documents or contracts.
2.       ~~2.~~       **Award** means the acceptance of a bid, offer, or proposal by the proper LBTS authority per Section III. below.
3.       ~~3.~~       **Best Interest of LBTS** means a judgmental assessment of what will result in maximum benefit being conferred upon LBTS.
4.       ~~4.~~       **Bid Bond** means a form of bid security executed by the bidder as principal and by a surety to guarantee that the bidder will enter into a contact within a specified time and furnish any required performance bond.
5.       ~~5.~~       **Blanket Purchase Order** is a purchase order that covers the purchase of supplies of a like nature for a stipulated period of time (i.e. 12 months) as described in Section IV. K. below.
6.       ~~6.~~       **Brand Name or Equal Specification** means a specification limited to one or more items by manufacturers' name or catalog number to describe the standard of quality, performance or other prominent characteristic needed to meet LBTS requirements.



17. ——— 17. ——— **Contractual Services** means the rendering of a contractor of their time and effort rather than the furnishing of specific commodities, materials, goods, equipment and other personal property. The term applies only to those services rendered by individuals and/or firms who are independent contractors.
18. ——— 18. ——— **Debarment or Suspension** means a disqualification of a business or person from receiving invitations for bids, requests for proposals or the award of contracts by LBTS because of previous illegal or irresponsible action or the failure or the inadequacy of performance for a specific period of time commensurate with the gravity of the offense.
19. ——— 19. ——— **Designee** means a duly authorized representative of a person holding a superior position.
20. ——— 20. ——— **Governmental Agency** means any agency of the Federal, State, or any local government or local governmental entity.
21. ——— 21. ——— **Invitation to Bid** means a written solicitation for competitive sealed bids with the title, date, and hour of the public bid opening designated and specifically defining the commodities or contractual services for which bids are sought. The invitation for bid will be used when LBTS is capable of specifically defining the scope of work for which a contractual service is required or when LBTS is capable of establishing precise specifications defining the actual commodities required. The invitation to bid will include instructions to bidders, plans, drawings and specifications, if any, a bid form and other required forms and documents to be submitted with the bid.
22. ——— 22. ——— **LBTS** means the Florida Municipal Corporation known as the Town of Lauderdale-By-The-Sea.
23. ——— 23. ——— **Mandatory Bid Amount** means the dollar threshold at which the formal bid process is required. The Mandatory Bid Amount is \$20,000. The acquisition of any commodity or service will not be divided to circumvent the requirement of the Mandatory Bid Amount.
24. ——— 24. ——— **Negotiations for Professional Service** means the act of determining terms, conditions and prices for the performance of professional services.



25. ~~25.~~ **Notice of Award** means the written notice by LBTS to the apparent, successful bidder or offeror stating that upon compliance with the conditions precedent to contract within the time specified, LBTS will sign and deliver a contract.
26. ~~26.~~ **Open-End Contract** means a funded contract whereby an indefinite quantity of supplies, services, or constructions are to be procured over an identified time span when needed.
27. ~~27.~~ **Open-End Purchase Orders** means a purchase order whereby a vendor provides supplies, services, or construction on demand or on a prescribed schedule (up to the mandatory bid amount in the absence of Town Commission approval.) An Open-End Purchase Order may be used as a release and encumbrance document to authorize procurement of any predetermined amount from an open-end contract on an as-needed basis.
28. ~~28.~~ **Performance/Construction Bond** means a bond of a contractor/vendor in which a surety guarantees to LBTS that the work/services will be performed in accordance with the contract documents and may, at the discretion of LBTS, include an irrevocable letter of credit issued by a financial institution.
29. ~~29.~~ **Procurement** is the buying, purchasing, renting, leasing or otherwise obtaining any supplies, services, construction or any other item(s) including description of requirements, selection and solicitation of sources, preparation and award of contracts and all phases of contract administration.
30. ~~30.~~ **Professional Services** means any services where LBTS is obtaining advice, instruction or specialized work from an individual specifically qualified in a particular area. Professional services may include a report or written advice; however, the main thrust of the service is not considered labor, but the exercise of intellectual ability. These services may be procured by Requests For Proposals and selected through Competitive Selection and Negotiation.
31. ~~31.~~ **Purchase Order** means a LBTS document to formalize a purchase transaction with a vendor conveying acceptance of a vendor's proposal. The purchase order should contain statements as to quantity, description and price of the supplies, services or construction ordered and



applicable terms as to payment, discounts, date of performance, transportation, insurance and other factors.

32.     ~~32.~~     **Purchasing Administrator** means the principal LBTS purchasing official designated by the Town Manager as responsible for the procurement, management, and disposal of commodities in accordance with the policies contained in this Purchasing Manual.
33.     ~~33.~~     **Quotation** means an informal (verbal) or formal (written) notice by a vendor to LBTS stating the prices, terms and conditions under which they will furnish certain goods or services.
34.     ~~34.~~     **Request for Proposals (RFP)** means all documents whether attached or incorporated by reference for soliciting sealed proposals, including any addenda. A RFP is characterized by a description of the desired procurement results in the form of specifications and a description of the process for evaluating vendor responses.
35.     [Request for Qualifications \(RFQ\)](#) Formal invitation from Lauderdale-By-The-Sea to vendors to submit a statement of qualifications. The RFQ identifies the desired minimum qualifications of the individual(s) or firm(s), a scope of work statement, any project requirements, and states the relative importance of selection criteria that will be used in compiling the short list of prospective firms for further consideration.
36.     ~~35.~~     **Responsible Bidder or Responsible Offeror** means a person who has the capability in all respects to perform fully the contract requirements and the tenacity, perseverance, integrity, experience, ability, reliability, capacity, facilities, equipment, financial resources and credit which will give reasonable expectation of good faith performance.
37.     ~~36.~~     **Responsive Bidder or Responsive Offeror** means a person who has submitted a bid that conforms in all material respects to the invitation to bid or request for proposals.
38.     ~~37.~~     **Selection and Negotiation Committee** is a group of persons appointed by the Town Manager to rank in preferential order those professional firms or individuals interested in providing services on a particular project and/or to negotiate a final contract with the highest ranked firm.



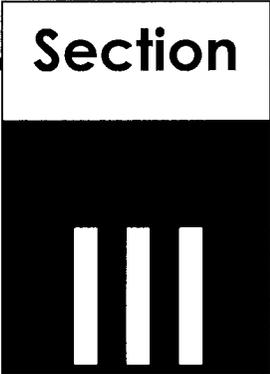
39.        ~~38.~~ **Services** means the furnishing of labor, time and effort by a contractor not involving the delivery of a specific end product other than reports which are merely incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements but shall include both professional and general services.
40.        ~~39.~~ **Specification** means any description of the physical or functional characteristics or of the nature of a supply, service or construction item. It may include a description of any requirement for inspecting, testing or preparing a supply, service or construction time for delivery. Specifications may also contain provisions for inclusion of factors which will lead to the ultimate calculation of the lowest total cost. All specifications shall seek to promote overall economy for the purpose intended and encourage competition in satisfying LBTS's needs and shall not be unduly restrictive.
41.        ~~40.~~ **Sole Brand** means the only known brand or only reasonable brand capable of fulfilling LBTS's needs.
42.        ~~41.~~ **Sole Source** means the only known vendor or the only reasonable vendor capable of providing a service or commodity to LBTS.
43.        ~~42.~~ **State Contract** is the State of Florida Purchasing Division's formal bidding process and award of various equipment and services contracts extended for use by all political subdivisions (entities).
44.        ~~43.~~ **Supplies** mean all property, including but not limited to, equipment, material, printing and equipment leases but specifically excluding the acquisition of interests in real property by LBTS.
45.        ~~44.~~ **Surety** means an organization which, for consideration, promises in writing to make good the debt or default of another. The surety must hold a certificate of authority as an acceptable surety on federal bonds published in the current Circular 570, United States Department for the Treasury and the Federal Register effective July 1 annually, as amended.
46.        ~~45.~~ **Surplus Property** means any property belonging to LBTS, which is capable of being used, but is in excess of the normal operating requirements of LBTS. This property may be disposed of by auction or



other means which proves to be the most beneficial to LBTS as determined by Section V. below.

47. ~~46.~~ **Town Manager** means the individual appointed by the Town Commission under Section 5 of the LBTS Town Charter as the administrative head of the LBTS municipal government.
48. ~~47.~~ **Town Commission** means the elected legislative body of the LBTS municipal government under Section 3 of the LBTS Town Charter.





# General Purchasing Policies

---



## III. General Purchasing Policies

### A. OVERALL PURCHASING REQUIREMENTS

1. General Purchasing Policies apply to all procurement of goods, construction, and/or services by LBTS unless specifically excluded as described in Section IV. below.
2. No acquisition/disposal of goods, property, and/or services shall be subdivided in order to circumvent any provision of this Purchasing Manual.
3. Vendors may not attempt to secure favoritism in the expenditure of public funds by offering bribes, gifts or providing entertainment to LBTS employees/officials having the ability to influence vendor selection decisions.

No LBTS employee/official or spouse/dependent/partner/subordinate of any LBTS employee/official shall, at any time, accept any compensation, payment, or thing of value when such officer or employee knows, or, with the exercise of reasonable care, should know, that it was given to influence a vote or other action in which the LBTS officer/employee was expected to participate in his official capacity. There shall be inserted in all contracts, and contractor shall be required to insert in all subcontracts, the following provision: "No officer or employee of the Town of Lauderdale-By-The-Sea, Florida, during his or her term of employment or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof."

4. LBTS shall not acquire goods, property, and/or services from vendors who have been found guilty of a "public entity crime" as defined in *Section 287.133 of Florida Statutes*. Accordingly, LBTS will obtain a sworn statement from vendors covered by *Section 287.133 of Florida Statutes*.

LBTS will not contract with vendors on the State of Florida discriminatory vendor list prescribed in *Section 287.134 of Florida Statutes*.

5. Whenever two or more bids, proposals, or replies that are equal with respect to price, quality, and service are received by LBTS for the procurement of commodities or contractual services, a bid, proposal, or reply received from a business that certifies in accordance with *Florida*



*Statutes Section 287.087* that it has implemented a drug-free workplace program shall be given preference in the award process.

6. Procurements for the personal use or benefit of LBTS officials/employees are prohibited. LBTS officials/employees are also prohibited from using the LBTS name or the officials/employee's position to obtain special consideration in personal purchases.
7. LBTS is exempt from paying all local and state sales taxes, as well as Federal Excise taxes. The LBTS Finance Director shall provide the necessary exemption documents to any vendor upon request. Thus, LBTS officials/employees must ensure that sales/excise taxes are not charged by the vendor.
8. If an item covered by a properly authorized Purchase Order cannot be supplied by the selected vendor in the required timeframe, the substitution of suitable equivalent item may be approved using the Change Order procedures described in Section III. E. 3. below.
9. Should the selected vendor fail to meet any specified requirement of a procurement, the vendor can be cited for non-performance. The seriousness of non-performance must be evaluated based on the circumstances surrounding each violation. However, there should always be some recourse for LBTS when a vendor fails to perform in accordance with the terms and conditions.

These recourses include, but are not limited to:

- a. LBTS may exercise its rights under a liquidated damage clause or under the terms of a performance bond.
  - b. LBTS may obtain the needed items from another source and charge the delinquent vendor the excess difference in cost.
  - c. The Town Manager or designee may terminate the contract for default if it is in the best interest of LBTS.
10. If two (2) or more vendors are tied as to quality, delivery times, and price, the tie may be broken and the vendor selected based on the location of the vendor's actual operations. The local preference shall favor first



vendors conducting actual business operations from a facility/office physically located within the municipal boundaries of LBTS. If none of the vendors so qualify, then favor shall be shown to vendors conducting actual business operations from a facility/office physically located within Broward County.

If none of the vendors so qualify, then favor shall be shown to vendors conducting actual business operations from a facility office physically located within the State of Florida. Preference for Florida-based vendors is required by *Florida Statutes Section 255.04* when erecting or constructing any public or institutional building. Preference for Florida-based vendors of commodities is provided for in *Florida Statute Sections 287.082, 287.084, and 287.092*. However, LBTS shall not show preference to vendors solely on the basis of being minority business enterprises under *Florida Statutes Sections 287.093 and 287.0931*.

11. No obligations for expenditures of LBTS funds may be incurred except pursuant to, and only to the extent of, a specific appropriation of funds in the Town Commission-Adopted LBTS budget. This provision shall apply, without being limited to, any formal or informal contractual obligation (e.g., Purchase Order) for the purchase or lease of supplies, services or equipment. No money may be drawn from the LBTS treasury, nor may the appropriate LBTS officials execute any check, draft, warrant, note, contract or other negotiable instrument, except pursuant to, and only to the extent of, a specific appropriation of funds in the budget to be used for such payment or procurement. Accordingly, the availability of funds must be approved by the Finance Director or designee before LBTS is contractually obligated to any procurement.
12. Procurement of meat products must be done in compliance with the provisions of *Florida Statutes Section 287.0822*.

## B. PURCHASING APPROVAL PROCESS

1. All procurements of goods and/or services, as well as award of contracts and related change orders, in excess of fifteen thousand dollars (\$15,000) must be approved by the Town Commission before such purchase is made or contract is awarded. Unless waived by the Town Commission, the vendors for procurements above fifteen thousand dollars (\$15,000) shall be selected through the Formal Bidding Process described in Section III. C. and Section III. D. below.



Once a contract has been approved by the Town Commission, the Town Manager may exercise any extension or renewal options included in that contract.

2. All procurements of goods and/or services, as well as award of contracts and related change orders, that do not exceed fifteen thousand dollars (\$15,000) must be approved as follows:
  - a. Procurements not exceeding one thousand dollars (\$1,000) must be approved by the director of the LBTS department whose budget will be charged for the expenditure provided;
    - i. the LBTS department director may delegate the authority to procure supplies not in excess of \$50 to subordinates approved in advance by the Town Manager,
    - ii. a minimum of three (3) informal quotations are obtained as described in Section III. C. below for each procurement between five hundred (\$500) and one thousand dollars (\$1,000).
  - b. Procurements over one thousand dollars (\$1,000) but less than five thousand dollars (\$5,000) must be approved by the LBTS Purchasing Administrator designated in advance by the Town Manager after written quotes are obtained from a minimum of three (3) vendors.
  - c. Procurements between five thousand dollars (\$5,000) and fifteen thousand dollars (\$15,000) must be approved by the Town Manager after written quotes are obtained from a minimum of three (3) vendors.
  - d. For any procurements individual, group of, or all procurements described in Section III. B.2., the Town Manager has the discretion to impose additional purchasing requirements. The additional purchasing requirements that the Town Manager may impose



include, but are not limited to, the use of formal bidding, the appointment of a bid specification/selection committee, or the assignment of any individual to assist with any purchase.

- e. Expenditures may be made from the petty cash fund providing that payments do not exceed \$50 for any one purchase. Petty Cash funds should be used to avoid the time and expense of issuing purchase orders for items totaling fifty dollars (\$50) or less.

Petty cash receipts (Exhibit 7) are to be completed by the person responsible for the fund in each department; these should include the amount, description of item, budget account number, and signatures of the persons receiving the funds and the person issuing the funds.

The LBTS Finance Director may conduct unannounced audits of petty cash funds to assure that monies are being properly accounted for. The use of petty cash funds to either circumvent LBTS expenditure requirements or for personal use, even for very short periods of time, is forbidden and grounds for disciplinary action.

### C. PURCHASING DOCUMENTATION

- 1. After obtaining the required pricing information described in III.B. above, a Purchasing Requisition (Exhibit 3) must be completed and approved at the applicable level set forth in III.B. above and returned to the Purchasing Administrator. The Purchase Requisition documents the need for goods, property, and/or services. Accordingly, the Purchase Requisition, including any referenced attachments, must not only correctly detail (e.g. quantity, quality, price, delivery time/location, service, warranty, payment terms) what is to be purchased but also document that all applicable procurement requirements have been complied with. It is the responsibility of the LBTS department requesting procurement to properly complete any related Purchasing Requisition sufficiently in advance of the date of goods/services are needed to allow for its timely review, approval and processing.



2. The specification of the goods/services/property to be purchased by LBTS can be structured in the following ways. Regardless of which method is used, however, specifications should be kept as simple as possible while maintaining the exactness required to keep vendors from utilizing a loophole to avoid providing the quality required by LBTS or to take unfair advantage of their competitors.

Specifications should be drafted to encourage vendors to propose alternatives that ensure LBTS obtains the lowest possible price while avoiding terms that are vague or subject to varying interpretations.

The Websites of the National Institute of Governmental Purchasing and Government Finance Officer's Association may be used to obtain sample bid documents, technical specifications, and bid/RFP evaluation criteria.

- a. *Qualified Products or Acceptable Brands List.* These lists are developed only where it is not possible to write specifications adequate to identify the quality and performance required of the goods or services to be purchased. Acceptable brand lists are also used when tests necessary to determine compliance with technical specifications are lengthy, costly or require complicated technical equipment.
- b. *Specification by Brand or Trade Names.* Brand or trade names should be used where brand name products have been found to be superior to others for the purpose intended, or when their composition is secret, unknown or patented. The use of brand names establishes a quality standard but is not intended to limit or eliminate competition. Whenever this method of establishing specifications is used, the specifications should explicitly provide for equivalents. It is incumbent on a vendor offering equivalent goods/services to those specified to document that the goods or services are, in fact, equivalent.



- c. *Specification by Blueprint or Dimension Sheet.*  
Specifications of construction projects for everything from buildings and streets to custom-built cabinets, furniture, machines, or other equipment should be written to reference the blueprints or dimension sheets prepared by the project's engineer, architect or equivalent. Such specifications shall provide an appropriate method of evaluating all bids, and later of verifying the quality of the construction work or the equipment or fixtures delivered.
- d. *Specifications by Performance, Purpose or Use.*  
Specifications, which include a set of performance criteria for the goods or services required, will provide flexibility for vendors to design products or programs specifically aimed at meeting the purpose or performance standards the Town has established.

LBTS Department Heads are cautioned to exercise care by including some specific technical specifications, which will provide a floor or bottom line quality determination. The use of performance specifications without minimum standards could result in items being installed, paid for, and later determined not to meet Town expectations.

- e. *Specification by Identification With Industry Standards.*  
Specifications will often refer to industry-wide standards or to standards set by other public jurisdictions. Some examples of these would be lumber grading, standards set by the asphalt or concrete industries or by referencing standard specifications of the Missouri or Florida Department of Transportation or other State or Federal agencies.
  - f. *Specifications by Samples.* Whenever appropriate, a sample should be obtained or used prior to a purchase. Whenever samples are utilized, LBTS Department Heads should provide an adequate supply so that originals can be sent to each interested vendor.
3. After the LBTS Finance Director has verified the availability of budgeted funds for a properly completed and approved Purchasing Requisition (including any related attachments such as Informal



Quotation (Exhibit 6), the Purchasing Administrator will generate a pre-numbered Purchase Order (Exhibit 2). The three-copy Purchase Order must be signed by the Purchasing Administrator or Town Manager. A purchase order is a contract between LBTS and a vendor. The contract is not binding until it is accepted by the vendor and LBTS. The issuance of purchase orders by unauthorized individuals will not be recognized by LBTS and payment of these obligations will not be approved. Unauthorized purchases are classified as personal expenses under Section III. A. 4. above.

The copies of the signed Purchase Order are distributed as follows: white to the vendor, yellow to the LBTS Finance Department for filing in numerical order, and pink to the vendor file maintained by the Purchasing Administrator. The Purchasing Administrator will also keep a numerical log of all issued Purchase Orders.

No purchase order shall be used which establishes venue for enforcement in any jurisdiction other than Broward County Florida.

## D. FORMAL BIDDING PROCESS

1. The requirements in Section III. D. apply to all procurements described in Section III.B.1. and III.B.2.d. where the selected vendor will be chosen via formal bidding. The Formal Bidding Process encompasses sealed written responses to a written Request For Proposal (RFP).
2. The Purchasing Administrator shall invite potential vendors to submit offers to supply the goods/services/property described in the specifications contained in the RFP. The RFP specifications are to be developed in accordance with Section III.C.2. above.

Potential vendors may be identified by:

- a. Posting a notice in the lobby of LBTS Town Hall.
- b. Maintaining an on-going list of potential suppliers who previously indicated an interest in being contacted about future sales opportunities.



- c. Searching publications and catalogs.
  - d. Referrals from LBTS officials/employees or other government entities including, but not limited to, the interested vendors list maintained by the State Department of Management Services pursuant to *Florida Statutes Section 287.042*.
  - e. Advertising in a newspaper of local general circulation (required for certain construction projects as discussed in Section IV. E. below).
  - f. Southeast Florida Governmental Purchasing Co-Op.
  - g. On-line bidding sources (e.g. Demandstar).
3. When, in the sole discretion of the Town Manager, the available RFP specifications do not promote/permit full and free competition among potential vendors without prior technical evaluation and discussion, a two-step process may be used. In the first step, LBTS issues an RFP to which interested potential vendors respond with necessary information and/or un-priced technical offers.

Then, those potential vendors who are determined by LBTS to have submitted technically acceptable offers are invited to submit sealed prices based on their technical offers.

4. Each RFP shall contain the following standard provisions:
- a. ITBs or RFPs shall Bids must be received by the LBTS Purchasing Administrator no later than the time and date identified in the ITB or RFP. An ITB or RFP submittal Bids received after the specified this time for any reason shall be returned unopened to the bidder. All timely-received ITB bids submittals shall be publicly opened in the presence of witnesses and read aloud to include the name of the bidder, their city and state, the ITB number and total price. All timely-received RFP submittals shall be publicly opened in the presence of witnesses and read aloud to include the name of the bidder, their city and state and the RFP number at the place and time designated in the RFP.



Sealed bid envelopes must reflect the vendors name and return address, as well as the bid number, identification of item being bid and date of bid opening. The Purchasing Administrator shall date and time stamp all RFP responses and bids upon receipt.

*Per Florida Statutes Section 119.071 (1)(m),* sealed bids or proposals received by an agency pursuant to invitations to bid or requests for proposals are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution until such time as the agency provides notice of a decision or intended decision pursuant to s. 120.57(3)(a) or within 10 days after bid or proposal opening, whichever is earlier.

- b. Bids shall be unconditionally accepted without alteration or correction, except as described in Section III. D. 4. c. below. Bids shall be evaluated based on the requirements set forth in the RFP, which may include criteria to determine acceptability, such as inspection, testing, quality, workmanship, delivery, service, price, completion date, and/or suitability for a particular purpose.
- c. Those criteria that will affect the bid price and be considered in evaluation for award, excluding cash discounts, shall be objectively measurable, such as trade discounts, transportation costs, and total or life cycle costs. The RFP shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that are not set forth in the RFP.
- d. Corrections or withdrawal of inadvertently erroneous bids shall be permitted up to the time of bid opening. After bid opening, no changes in bid prices or other provisions shall be permitted; provided however, the Purchasing Administrator shall have the authority to waive minor irregularities as provided by law or correct obvious calculation errors.



- e. All quotations and proposals must be signed with the vendor name and by an officer or employee having the authority to bind the vendor with that signature.

Bids having any erasures or corrections must be initialed by the bidder in ink. Bids shall be typewritten or written with pen and ink. Signatures must be original and in ink.

This signed bid shall be considered an offer on the part of the bidder, which offer shall be deemed accepted upon approval by LBTS. In case of default on the part of the bidder after such acceptance, LBTS may take such action as it deems appropriate including legal action for damages or specific performance.

The successful bidder shall NOT assign, transfer, convey, sublet or otherwise dispose of said contract, or his right, title or interest in or to same, or any part thereof, without previous consent in writing from LBTS.

- f. Bids on individual items must include UNIT PRICES as well as TOTAL PRICES. Where a variance exists on the bid form between the unit price and the extension or whenever other discrepancies are noted between prices on the bid form and prices quoted elsewhere in the bid package, the unit price quoted on the bid form shall prevail.

Unless otherwise stated, the quantities or usage shown in the RFP are estimated ONLY. No guarantee or warranty is given or implied by LBTS as to the total amount that may be or may not be purchased from any resulting contracts. These quantities are for bidder information ONLY and will be used for tabulation and presentation of bid and LBTS reserves the right to increase or decrease quantities as required.

Bidder warrants by virtue of bidding that prices and terms and conditions in the bid will be firm for acceptance and will not be withdrawn for a period of ninety days (90) from the date of the bid opening. Prices shall be firm with no escalator clauses.



LBTS is exempt from any taxes imposed by the State or Federal Government. Exemption certificates will be supplied upon request.

- g. Whenever materials or equipment are specified or described in the RFP by using the name of a proprietary item or the name of a particular supplier, the naming of the item is intended to establish the type, function and quality required. The bidder will be required to submit sufficient information to allow LBTS to determine that the material or equipment proposed is equivalent to that name. LBTS will be the sole judge concerning the merits of proposed material or equipment.
- h. Any time prior to the bid opening date and time, the Purchasing Administrator may cancel or postpone the bid opening or cancel the RFP in its entirety. In addition, LBTS reserves the right to accept or reject any or all bids or parts of bids, to waive irregularities and technicalities, and to request rebids on required goods or services. LBTS also reserves the right to award the contract on such goods or services LBTS deems will best serve its interests or to elect not to proceed with procuring the goods/services.
- i. All goods or equipment bids shall comply with all applicable Federal, State and local laws relative thereto including all safety-related items as required by the Federal Occupational Safety and Health Act (OSHA).

The successful bidder shall defend actions or claims brought and hold harmless LBTS from loss, cost or damage by reason of actual or alleged violations of Federal, State or local law in the design or manufacturing of equipment and/or materials.

- 5. All bidders may be required to submit with their sealed bid, a BID BOND to LBTS in the amount of five percent (5%) of the net



amount of their total bid. Bonds will be returned to the unsuccessful bidders after an award has been made, or bids have been rejected. If the successful bidder fails to execute the necessary contracts, his bid bond will be forfeited to LBTS.

The successful bidder may be required by LBTS to submit a PERFORMANCE BOND in the amount of One Hundred Percent (100%) of the contract amount awarded within ten (10) days after being notified that contract has been awarded.

6. Contracts shall be awarded to the lowest, responsive, responsible bidder. In determining "lowest responsible bidder," in addition to price, LBTS may consider:
  - a. The ability, capacity and skill of the bidder to perform the contract or provide the service required. Providing the required service includes, but is not limited to, an adequate amount of insurance coverage as set by the Purchasing Administrator. Documentation of coverage is through the Purchasing Administrator's acceptance of the Certificate of Insurance.
  - b. Whether the bidder can perform the contract or provide the service promptly or within the time specified, without delay.
  - c. The character, integrity, reputation, judgment, experience and efficiency of the bidder.
  - d. The quality of performance of previous contracts or services with LBTS and with other entities.
  - e. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service.
  - f. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.
  - g. The quality, availability and adaptability of the supplier, or proposed contractual services to the particular use required.



- h. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract and the associated maintenance cost.
  - i. The number and scope of conditions attached to the bid.
  - j. Bidder's history of default on prior public contracts.
  - k. Bidder's history of litigation or arbitration.
7. A record shall be maintained by the Purchasing Administrator of bidding information on materials in regular use. Such records shall include a bidder's list, specifications, previous quotations and bids received.
8. Vendors who believe they have been unfairly treated during the formal bidding process may file a complaint with the Town Manager. Complaints shall be submitted in writing within ten (10) days after the aggrieved vendor knows or should have known the facts giving rise thereto. The written protest must be accompanied by a filing fee in the form of a money order or cashier's check payable to LBTS in an amount equal to one percent of the contract value, which resulted from an RFP, but no greater than \$5,000. The filing fee shall guarantee the payment of all costs which may be adjudged against the protester in any administrative or court proceeding or in investigating the protest. If a protest is upheld by LBTS, the filing fee shall be refunded to the protester less any costs of investigating the protest. The Town Manager or designee shall investigate as far as resources allow and determine the validity of the complaint. If the complaint is not resolved by mutual agreement of LBTS and the vendor, the Town Manager or designee shall promptly issue a decision in writing after consulting with the Town Attorney. The decision shall state the reasons for the action taken. A copy of this decision shall be mailed or otherwise furnished immediately to the complainant, and any other party involved.
9. Following the identification of the lowest responsive, responsible bidder and the resolution of any written vendor protest, the Town Manager shall recommend to the Town Commission that a contract be awarded to the selected vendor.



10. Except for projects financed in whole or in part with Federal/State/County funds requiring utilization of minority business enterprises, LBTS will neither show preference to nor set aside funds for the procurement of personal property or services from such vendors.

## E. CONTRACT ADMINISTRATION

1. After the award of any contract, the LBTS department using the property/goods/services, or in some cases the construction Project Manager, will insure that both LBTS and the vendor are in compliance with all terms and conditions of the contract including maintaining current insurance certificates. The procuring LBTS department will maintain a written record of the vendor's performance relating to contract requirements.
2. In cases where the vendor does not adhere to delivery and specifications or is in technical breach of a contract, the procuring LBTS department must attempt to rectify the situation with the vendor and maintain written record of these attempts. This written record should contain specific instances of non-compliance with contract requirements and a time frame for resolution of the issues involved as well as any change orders per Section III.E.3. below. The LBTS department shall provide copies of all non-compliance correspondence and records to the Purchasing Administrator. In cases where the procuring LBTS department is unable to rectify a breach of contract with the vendor, the matter shall be turned over to the Purchasing Administrator along with all documents for resolution which may include, but not be limited to; recommending to the Town Manager that the contract be canceled; suspension or debarment; or institution, through the Town Attorney, of appropriate legal action.
3. Whenever circumstances arise that necessitate modifying a vendor's existing contract, a contractual change order may be used provided:



- a. The changes do not substantially alter the character of the work contracted for and do not vary so substantially from the original specifications as to constitute a new undertaking. Such changes must be reasonable and conscientiously be viewed as being in fulfillment of the original scope of the contract.

Further, such changes when viewed against the background of the work described in the contract and the language used in the specifications, must clearly be directed either to the achievement of a more satisfactory result or the elimination of work not necessary to the satisfactory completion of the contract.

- b. The Town Manager or designee is hereby authorized to approve and initiate work on the following types of change orders determined in his/her judgment to be in the best interest of LBTS, as follows:
  - 1. All change orders decreasing the cost of the contract to LBTS providing, however, such decrease does not materially alter the character of the work contemplated by the contract.
  - 2. A change order increasing the cost of the contract to LBTS by a cumulative amount not to exceed fifteen thousand dollars (\$15,000); providing, however, that an appropriation exists within the account, or year-end encumbrance, sufficient to pay the amount of the change order.
- c. All other change orders must be formally approved by the Town Commission before work may be authorized to begin, and no claim against LBTS for extra work in furtherance of such change order shall be allowed unless said prior approval has been obtained or the original contract with the vendor provides otherwise.
- d. Change orders shall not artificially be distributed or divided so as to bring the amount within the approval level of the Town Manager and any such proposed change order shall



include within it all logically connected work required to be done at the time of proposal.

4. When a LBTS department receives shipment of goods that have been ordered, an inspection of the contents shall be conducted to insure that the item(s) received match what was ordered, and that it is in satisfactory condition.

An invoice, bill of lading, or packing slip should be included with the shipment and after inspection; the LBTS department opening the shipment should stamp the document "received" with the date and signature of the person inspecting the shipment. If any damage to the shipment is detected, this should be noted on the receiving slip. Damaged merchandise should generally not be accepted and it is the responsibility of the procuring LBTS department to resolve damage claims.

All invoices from vendors should be sent directly to the LBTS Finance Department by the vendor. If a procuring LBTS department receives an invoice and that invoice identically matches the amount of a purchase order, that department should note whether the goods have been received, and whether payment can be made against the specified purchase order number. Then the invoice should be sent directly to the LBTS Finance Department.

When partial shipment is made on an order, any item appearing on the vendor's packing slip and/or invoice that was not received, should be struck out or marked back order (B/O) before signing as the receiver of the goods so listed. In short, signature should be given to the vendor only for goods actually received.

5. At the discretion of the Town Manager, existing contracts may be extended beyond their specified expiration date pending renegotiation if such extension is deemed to be in the best interest of LBTS.

## F. INVENTORY/WAREHOUSE

At the discretion of the Town Manager, the Town may procure and maintain an inventory of items used on a repeat or continuing basis by one



or more LBTS departments. Any such items inventoried by LBTS will be purchased, warehoused, and distributed in accordance with procedures established by the Town Manager. Perpetual inventory records shall be maintained by an inventory custodian designated by the Town Manager.

### G. REQUEST FOR QUALIFICATIONS (RFQ)

An RFQ is a formal invitation to vendors to submit a statement of their experience, education, certifications, and other factors that qualify them to perform work for the Town. This approach differs from an RFP in that it places greater emphasis on the qualifications of the potential respondents, and their track record of quality performance, rather than a specific methodology they utilize. The RFQ identifies the desired minimum qualifications of the respondents, a scope of work statement, project requirements, and states the relative importance of selection criteria that will be used in compiling a short list of prospective respondents for further consideration.

Responses are evaluated by an evaluation committee and facilitated by the Purchasing Administrator. Depending on the number of qualification responses received, a shortlist of three to five respondents are usually identified for further consideration. These short-listed respondents are then interviewed by the evaluation committee. The short-listed firms may either be ranked in order of the committee's evaluation of the respondents' experience, qualifications and, in some cases the quality of their presentation to or discussions with the committee, or a number of respondents may be determined to be qualified to perform work for the Town.

When respondents are ranked in order, this ranking is presented to the Town Manager or the Town Commission for approval, depending on the size of the contract that is anticipated. Staff will then negotiate a contract for the services needed with the number one ranked respondent and bring the contract back to the Town Manager if it is within his or her approval authority or to the Town Commission for approval if the contract amount exceeds the Town Manager's authority. The Town Commission may also authorize The Town Manager to negotiate with a lesser ranked respondent in the event negotiations with a higher ranked respondent are unsuccessful.

In certain circumstances where continuing agreements are sought, multiple firms may be determined to be qualified and are placed on a



qualified vendor list for the types of services identified in the RFQ. In such event negotiations may be conducted with more than one respondent for continuing contracts. When a project or assignment is to be contracted to an outside vendor for such work, the Town may rotate the work between previously qualified and contracted vendors, or subject to limitations imposed by state law (such as, for example, the CCNA) the Town may ask for sealed price quotations from the pre-qualified and contracted vendors and make a selection based on price or other relevant factors in the circumstances. In such cases, staff will negotiate a work authorization with the selected vendor and bring it to the Town Manager for approval or to the Town Commission if the contract price exceeds the Town Manager's approval authority.

When using the RFQ process, Town staff and the Town Manager must ensure all that all limitations and conditions imposed by all applicable State law, such as the CCNA (which is a set of requirements for procurement of certain professional services) are incorporated in the process.



Section

IV

Exceptions to General  
Purchasing Policies



## IV. Exceptions To General Purchasing Policies

To the extent described below, the following types of purchases are not required to comply with the General Purchasing Policies set forth in Section III. above.

### A. SOLE SOURCE PROCUREMENT

Subject to the advanced approval of the Town Manager or designee, non-emergency Sole Source Procurement may be awarded for a supply, service or construction item costing up to fifteen thousand dollars (\$15,000) without competition when it is determined that there is only one source available (e.g. repairs or additions from the original equipment manufacturer, only supplier in the area, franchised or licensed distributor or service, patented or proprietary item), or by negotiation where the procurement by competitive procedures is not feasible (e.g. specifications can not be clearly drawn) nor practical (e.g. bids were solicited but no responsive bid was received from a responsible bidder). Personal preference, convenience or "to standardize" in the absence of identifiable offsetting cost savings are not sufficient reasons for spending public funds under non-competitive conditions. Each sole source procurement must be justified in writing by the LBTs official/employee seeking to make a sole source procurement, and, in the case of construction/modification/alteration/repair of any publicly owned facility, recommended in writing by the project architect/engineer (per *Florida Statutes Section 255.04*). Non-emergency sole source procurements costing more than \$15,000 must be approved in advance by the Town Commission. Purchases may not be artificially divided for the purpose of avoiding Town Commission approval.

### B. EMERGENCY PROCUREMENT

The Town Manager may make emergency procurements of budgeted commodities or contractual services where the cost exceeds fifteen thousand dollars (\$15,000) when there exists any level of emergency under the Town's current Comprehensive Emergency Operations Plan or a clear and present threat to public health, property, welfare, safety or other substantial loss to LBTs, provided, however that such emergency procurements shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file. As soon as practicable, a record of the emergency procurement shall be made and shall set forth the contractor's name, the amount and type of the contract, a listing of the commodity or contractual



service procured under this contract, contractor invoices/receipts and the number of the purchase order, if any.

In order to maximize the recovery of town funds, emergency procurements for which insurance, federal and/or state (e.g. FEMA) reimbursement is anticipated should comply with the current insurance policy or federal/state program procurement requirements (e.g. 44 CFR Parts 13 and 206). Unless otherwise directed by the Town Manager, all emergency procurements shall be reviewed for reimbursement eligibility sufficiency by the Purchasing Administrator prior to the execution of an emergency procurement.

The Town Commission must be notified, after the fact, of such procurements in excess of fifteen thousand dollars (\$15,000) at the next scheduled Town Commission meeting. In any event, any increase over the original amount of an emergency procurement reported to the Town Commission exceeding ten percent (10%) must be reported to the Town Commission to be noted for the record.

### C. GRANTS

In any situation where compliance with the General Purchasing Policy set forth in Section III. above will place LBTS in conflict with the terms of any grant, LBTS shall comply with such grant requirements which are mandatorily applicable and which are either not reflected in the General Purchasing Policies or are contrary to provisions of the General Purchasing Policies. This includes, but is not limited to, federal emergency management agency (FEMA) disaster recovery assistance per 44 CFR Parts 13 and 206.

### D. PROFESSIONAL CONSULTANTS

At the discretion of the Town Manager, non-emergency contracts for professional services involving peculiar skills, ability, experience or expertise, which by their nature are unique and not subject to competitive bidding, are exempt from the competitive bidding requirements; however, a formal, written contract, approved by the Town Commission, shall be required for all such contracts in excess of fifteen thousand dollars (\$15,000), and any applicable state law, such as the auditor selection procedures (*Florida Statute Section 218.391*) and Consultant's Competitive Negotiation Act (*Florida Statute Section. 287.055* – see below) shall be followed. Further, the Town Manager is authorized to enter into multiple awards, open-end, fixed, or any other legal contracts for professional services not covered by *Florida Statute Section 218.391*, *Florida Statute Section 287.055*



or below the mandatory *Florida Statute Section 287.055* bid amount by issuing purchase orders to vendors with continuing budgeted contracts approved by the Town Commission.

Unless changed pursuant to *Florida Statutes Section 287.017* (See Section III, E. 6. e. below), all acquisitions of professional architectural, engineering, landscape architectural, design criteria, surveying or mapping services must be made in compliance with the Consultant's Competitive Negotiation Act if they are for either a construction project costing at least \$250,000 or a planning/study activity where the fee is at least \$25,000. Purchases of professional services covered by the Consultant's Competitive Negotiation Act must be made from vendors approved by the Town Commission after:

1. Issuing an RFP as discussed in Section III. B. above that includes a provision for plan reuse.
2. Advertising for submission of proposals at least once in a newspaper of general circulation in Broward County.
3. Selection, in ranked order, of at least three vendors using current qualifications and performance data (other than price) obtained from each vendor in response to the RFP, subsequent discussions and/or formal presentations.
4. Fee negotiations or bid openings, in ranked order, with the vendors selected in Section IV. D. 3. above. Alternatively, at the discretion of the Town Manager, LBTS may obtain on a cost reimbursement basis, the assistance of the Florida Department of Transportation or the Florida Department of Management Services in selecting and/or negotiating contracts with consultants covered by the Consultant's Competitive Negotiation Act.

Similarly all acquisitions of financial statement auditing services in satisfaction of *Florida Statutes Section 218.39* must be made in compliance with the provisions of *Florida Statutes Section 218.391* which requires that RFPs for such audit services be evaluated and ranked by an audit committee prior to Town Commission selection of an auditor and approval of their contract. Such auditor contracts must include provisions:

1. Specifying fees and covered services.



2. Demonstrating compliance of fee invoices with contract.
3. Including contract period, renewal (if any), and termination conditions.

### E. CONSTRUCTION PROJECTS

1. If the cost of a purchase related to the construction, demolition, renovation, modification, repair or grounds of any public facility, utility, building, or land exceeds fifteen thousand dollars (\$15,000) then the requirements in Section III.D. apply unless waived by the Town Commission or superceded by the following special requirements.
2. In accordance with *Florida Statutes Section 255.04*, LBTS shall give preference to materialmen, contractors, builders, architects, and laborers residing in Florida when constructing any public administrative or institutional building provided:
  - a. there is no increase in cost resulting from the preference, and
  - b. the quality of materials proposed for purchase as well as the qualifications, character, responsibility, and fitness of resident vendors is comparable to non-resident materials and/or vendors.
3. As required by *Florida Statutes Section 255.042*, whenever LBTS constructs, modifies, or alters any public building having a floor area capable of sheltering at least 100 persons from radiation hazards, LBTS will either incorporate fallout shelter protection into the building or determine whether cost, or other related factors, precludes or makes impractical incorporating fallout shelter protection.
4. Per *Florida Statute Section 255.05*, either a payment and performance bond with any surety insurer authorized to do business in Florida or prescribed alternative collateral will be required by LBTS whenever a contract for the construction of a public building exceeds \$200,000. Additional qualifications for surety bond insurers for certain construction-related consultants are set forth-in *Florida Statutes Section 287.0935* and must be complied with if applicable.



5. Under *Florida Statutes Section 255.0525*, anytime a LBTS non-emergency construction project is estimated to cost more than \$200,000, the solicitation of bids/proposals must be publicly advertised at least once in a newspaper of general circulation in Broward County at least 21 days prior to the established bid opening and at least 5 days prior to any scheduled pre-bid conference. However, for all non-emergency construction projects estimated to cost more than \$500,000, the public advertisement must appear at least 30 days before the established bid opening.

For purposes of Section 255.0525 only, emergency is defined as an unexpected event resulting in an interruption in delivery of an essential government service or an immediate danger to either public health/safety or loss of public/private property.

6. Unless specifically exempted below, *Florida Statutes Section 255.20* requires the use of the formal bidding process in Section III. D. above whenever the estimated cost of a non-emergency LBTS project to construct/improve a public building, structure, or other public work exceeds \$200,000 in total or \$50,000 in electrical work. For purposes of *Florida Statutes Section 255.20*, emergency is defined as described in Section IV. E. 5. above.
- a. All contractors selected for such projects must be appropriately licensed.
  - b. The estimated cost of the project includes all non-inmate labor as well as the cost of all equipment and materials to be used in the project.
  - c. If the construction/improvement project relates to a road, bridge, street, highway, or railroad, and is estimated to cost more than \$250,000, LBTS may:
    - i. Require that interested vendors be certified or qualified to perform such work if the qualification criteria are published with a public hearing notice prior to the RFP/bid ad.
    - ii. Disqualify the bid/proposal of any contractor that is ten percent (10%) or more behind on completing an approved



progress schedule for LBTS at the time of the RFP/bid advertisement unless FDOT considers the contractor pre-qualified and eligible.

- d. The requirements of *Florida Statutes Section 255.20* do NOT apply to:
  - i. Projects that have been through the formal bidding process without receiving any responsive bids or proposals.
  - ii. Projects involving repair or maintenance of an existing public facility.
  - iii. Projects using appropriately licensed LBTS employees to perform the work (after holding any required public hearing).
  - iv. Projects undertaken exclusively as part of a public educational program.
  - v. Projects whose funding source will be disqualified or lost because the formal bidding process will take longer than the time within which the funding source must be spent.
  - vi. Projects where the successful bidder has either abandoned the job before completion or been terminated by LBTS.
- e. The \$200,000 total cost and \$50,000 electrical cost thresholds in *Florida Statute Section 255.20* are adjusted by the change in the Consumer Price Index from January 1, 1994, to January 1 of the year in which the project is scheduled to begin.
- f. Projects covered by *Florida Statutes Section 255.20* must specify lumber, timber, and other forest products produced and manufactured in Florida whenever available provided:
  - i. Their make, fitness, and quality are equal, and
  - ii. The requirement does not violate the terms of any project funding source.



7. Under *Florida Statutes Section 255.21*, any building or facility intended for use by the general public which is contracted, altered, or operated as a lessee by LBTS shall provide the special facilities for physically disabled access specified in Part V of Chapter 553.
8. The use of asbestos or asbestos-based fiber materials is prohibited in any public building constructed after September 30, 1983, per *Florida Statutes Section 255.40* and LBTS shall conduct an asbestos survey before demolishing any LBTS building constructed prior to that date.

### F. LAW ENFORCEMENT TRUST FUND (LETF) EXPENDITURES

All purchases to be paid for by the LETF must comply with *Florida Statutes Section 932.7055* and must be approved in advance by the BSO/LBTS Police Chief and the Town Commission.

A copy of the Town Commission approval must be maintained by the Purchasing Administrator. LETF expenditures are restricted by *Florida Statutes Section 932.7055*, to school resource officer, crime prevention, safe neighborhood, drug abuse education, drug prevention, drug treatment, complex/protracted investigation cost, additional police equipment/expertise, or federal grant matching purposes.

### G. COOPERATIVE PURCHASING ("PIGGY-BACKING")

All purchases of commodities or contractual services under the provisions of local, state and federal purchasing contracts shall be exempt from the requirements of Section III.B. provided that the following criteria are all satisfied:

1. The terms and conditions of the original contract by the federal, state (including any user surcharge pursuant to *Florida Statutes Sections 287.056 and 287.1345*) or local government are satisfactory to LBTS.
2. The original contract by the federal, state or local government is current and resulted from a vendor selection process similar to the one LBTS would use for that purchase.
3. The Purchasing Administrator has performed a market survey to determine if the prices of the original contract are fair and reasonable.



4. The Town Commission authorizes such procurement when the cost of the commodities or contractual services exceeds fifteen thousand dollars (\$15,000).

### H. TRAVEL, MEALS AND ENTERTAINMENT

At the discretion of the Town Manager or designee (currently the Purchasing Administrator) LBTS will pay for the following reasonable and necessary expenses associated with travel and transportation resulting from an employee's or other authorized person's, attendance at any meeting, seminar, conference or convention which has been properly approved as having a demonstrated benefit to LBTS.

Payments made under this policy are subject to the following limitations and restrictions:

1. **Airfare** is restricted to exclude the cost of first class fare. Reservations should be made as far in advance as possible to allow for the lowest possible fare. Quotes for fares shall be obtained from at least two different travel agencies.
2. **Automobiles** may be rented for remote, extended or emergency travel, subject to the following:
  - a. The location of the meeting, seminar, conference, or convention is different than that of the lodging accommodations, or
  - b. The rental of the automobile is less expensive than other forms of transportation to or from the lodging or meeting, or
  - c. The rental cost may be advanced, if documented, and verified by receipts upon the traveler's return.



3. **Insurance** will not be allowed as a reimbursable travel or transportation expense unless approved in advance of the trip by the Purchasing Administrator.
4. **Parking and toll** reimbursement will be allowed provided that the costs are documented and reasonable. Parking at departing airports will be reimbursed only to the cost of taxi fare from the LBTS Town Hall to the Airport and back to LBTS Town Hall. Transfers from airport to hotel may be advanced if documented. If not, reimbursement shall be requested upon return with verified receipt.
5. **Registration** payments will be allowed only to the extent of any lesser-advanced registration fees.
6. **Meals and tips** for other than local travel (Dade, Broward and Palm Beach counties) are limited to a per diem payment equivalent to the prevailing per diem established by the Internal Revenue Code Continental U.S. rate for meals and incidental expenses reduced proportionately for partial days or meals provided through registration of airfare. Such payment is inclusive of all meals, drinks, and tips, tips to hotel staff and any other miscellaneous daily expenses.

Per diem will be reduced by one-third each if the employee begins travel after 9:00 a.m. and/or ends travel before 6:00 p.m. Additionally, all meals otherwise provided for, inclusive of continental breakfasts, will reduce per diem payments by one-third. Employees will not be entitled to any meal reimbursement for local travel (Dade, Broward and Palm Beach counties).

7. **Lodging** for traveling employees will be at the same hotel/motel as the site of the seminar when possible. LBTS is exempt from taxes and the employee should therefore request a copy of the tax-exempt certificate from the LBTS Finance Department before departure. Taxes which are charged to the employee because he/she does not present a copy of LBTS's tax-exempt certificate will not be reimbursed.

**Exception:** *When an employee travels outside the state of Florida, taxes charged will be reimbursable.*



8. **Mileage reimbursement** payments to employees who use their personal vehicle for local travel (Dade, Broward and Palm Beach) will be made at the amounts and limits set by the Internal Revenue Code of the United States of America. However, employees who are provided a LBTS vehicle or are paid an automobile allowance will not be allowed reimbursement for mileage under this policy. The cost of gasoline for such a LBTS vehicle will be reimbursed upon presentation of receipts. Employees who are provided an automobile allowance may not also use a LBTS vehicle for travel or transportation purposes except in an emergency as declared by the Town Manager. Employees seeking payment for LBTS use of their personal vehicle must submit a properly completed Claim For Mileage Reimbursement form to the Purchasing Administrator.
9. A **Travel Expense Statement** (Exhibit 4) must be completed before and/or after attending meetings, seminars, conferences, and conventions, as documentation for all related travel and transportation costs as well as the costs of registration. The Travel Expense Statement must be submitted for approval to the Purchasing Administrator within two (2) weeks of return for all types of travel.

Travelers who fail to submit the Travel Expense Statement will be responsible for all costs advanced for the travel. It is not necessary to attach a purchasing requisition for travel expenses but all appropriate receipts, certificates, validated tickets, statements, reports, and bills must be attached to the Travel Expense Statement. Any incomplete form will be returned by the Purchasing Administrator to the originating LBTS department for correction.

It is the responsibility of the originating LBTS department to make sure all paperwork is properly submitted in sufficient time to allow for all approvals and to allow the LBTS Finance Department adequate time to prepare checks for the traveler.

### I. PURCHASING CREDIT CARD

Upon approval of the Town Manager and after execution of the attached Purchasing Card Program Employee Agreement, the Purchasing Administrator will issue an LBTS credit card for use by the named employee in making low dollar purchases from any vendor that accepts the VISA, MasterCard, or American Express credit card. The use of the LBTS credit card is subject to the following restrictions.



1. The Purchasing credit card may be used only by the employee whose name is embossed on the card. The cardholder is responsible and accountable for all transactions that occur on his/her card.
2. The purchasing credit card is to be used for LBTS authorized purchases only. The purchasing credit card can not be used for any personal use and any such use will require immediate reimbursement and will result in disciplinary action that may include dismissal and/or criminal charges.
3. A purchasing credit card will have established limits for each cardholder, a single purchase limit and a 30-day limit. The maximum limit for a single purchase shall be \$250 and a total of \$500 during any 30-day billing cycle. A single purchase may be made of multiple items, but the total invoice cannot exceed \$250. CHARGES FOR PURCHASES SHALL NOT BE SPLIT TO STAY WITHIN THE SINGLE PURCHASE LIMIT. Exceeding these limits will be considered abuse of the Purchasing Credit Card Program and can result in cancellation of card, disciplinary action, or both.
4. The purchasing credit card must be kept in an accessible but secure location. The purchasing credit card account number must be kept confidential. Only the person named on the purchasing credit card is entitled to use it.
5. All purchasing credit card transaction documentation must be submitted to the Purchasing Administrator for matching to the monthly credit card statement. Failure to submit such documentation may result in the cancellation of purchasing credit card privileges at the discretion of the Town Manager or designee (currently Purchasing Administrator).

### J. EXEMPT ITEMS

Unless deemed necessary by the Town Manager or designee, the following types of expenditures are not subject to the provisions of Section III above and, therefore, do not require the use of a Purchase Requisition or Purchase Order.

1. Budgeted utility bills for electricity, natural gas, telephone, water, sewer, or garbage/trash collection.
2. Budgeted life, health, dental, vision, disability, property, liability, automobile, or worker's compensation insurance premiums.



3. Budgeted payments of principal and/or interest on LBTS debt or lease obligations originally approved by the Town Commission.
4. Budgeted pension payments (including ICMA contributions).
5. Budgeted unemployment billings.
6. Remittance of taxes or fees collected on behalf of other government entities.
7. Transfers between LBTS bank and/or investment accounts (unless otherwise required under LBTS investment policy).
8. Budgeted services provided by existing LBTS vendors under contracts originally approved by the Town Commission that involve special skill, ability, training, or expertise of a unique, original or creative nature.
9. Budgeted salaries and wages (including bonuses, overtime, incentives, and allowances).
10. Payments made under order of a court determined by the Town Attorney to have competent jurisdiction.
11. Budgeted newspaper advertising.
12. Budgeted payments to other governmental entities or not-for-profit organizations for grants, goods, property or services provided to LBTS.
13. Budgeted legal settlements recommended by the Town Attorney and approved by the Town Commission.
14. Use of temporary service providers to fill open positions in the Town Commission-approved employee headcount.

### K. OPEN/BLANKET PURCHASE ORDERS

Open/blanket purchase orders may be issued by the Purchasing Administrator only for recurring budgeted procurement of indefinite unspecified types, quantities, and/or unit costs of goods or services from a specified vendor within



the current fiscal year on an “as needed” basis. However, individual open/blanket purchase orders for more than \$1,000 must comply with the provisions of Section III. B. above. Also, recurring budgeted procurements of similar goods or services during each fiscal year shall be aggregated for the purpose of applying the purchase approval requirements of Section III. B. above.

### L. REAL ESTATE ACQUISITION

The following land acquisition procedures shall be employed whenever LBTS seeks to acquire, by purchase, any real property.

1. Prior to initiating any negotiations for the acquisition of any real property with the property owner, LBTS shall obtain a written appraisal performed by a state certified real estate appraisers with an MAI designation. Two (2) appraisals are required when the value of the first appraisal exceeds two hundred fifty thousand dollars (\$250,000) when the Town seeks exemption from *Florida Statute 119.07(1)*. Appraisers selected to appraise real property pursuant to this Section shall, prior to contracting with the City for appraisal services, submit an affidavit substantiating that the appraiser has no vested or fiduciary interest in the property which is the subject of the appraisal.
2. Appraisal reports, offers and counter-offers are confidential and exempt from the provisions of *Florida Statute 119.07(1) (Public Records Law)* as provided in *Section 166.045, Florida Statutes (1991)* as amended from time to time.
3. No negotiations may be commenced or offer or counteroffer made by LBTS for the acquisition by purchase of real property without prior authorization of the Town Commission.
4. Upon commencement of negotiations, LBTS shall inform the property owner, in writing, that all agreements for the purchase of real property are subject to approval by the Town Commission.
5. Any agreement by LBTS to purchase real property shall be submitted to the Town Commission for approval at a public meeting after thirty (30) days public notice. Notice of the proposed purchase of real property shall be published once a week for at least two (2) weeks in a newspaper of general circulation in LBTS.



6. Evidence of marketable title in the form of title insurance or an abstract of title with title opinion shall be provided to LBTS, by the property owner at the property owner's expense, not later than ten (10) calendar days prior to the public hearing.
7. In order to prevent the premature disclosure of LBTS's interest in acquiring a specific parcel of real estate, the Town Manager may expend up to \$30,000 on related appraisals, environmental studies, etc. without Town Commission approval.



Section  
**V**

# Asset Disposals



## V. Asset Disposals

### A. CONFISCATED, UNCLAIMED, OR ABANDONED PROPERTY

Unless Florida Statutes or grant agreements provide otherwise (e.g. property subject to *Florida Statute 717*), all confiscated, unclaimed, or abandoned property coming into the possession of LBTS, or any property other than real property (improved or unimproved) owned by LBTS which has become obsolete or which has become inadequate for the public purposes for which it was intended, shall be disposed of in whichever of the following ways is determined by the Town Manager or designee to be in the best interest of LBTS.

1. Transfer to another LBTS department or other governmental or non-profit entity.
2. Trade-in on new property.
3. Sale at a public auction conducted by LBTS or another government entity. If the public auction is conducted by LBTS, the following procedures shall be utilized.
  - a. The Purchasing Administrator will coordinate the compilation by LBTS departments of the list of items to be auctioned.
  - b. The Purchasing Administrator will solicit proposals from qualified auctioneers and recommend the auctioneer to be selected to the Town Manager, and, if the auctioneer's cost exceeds \$20,000, to the Town Commission, for approval.
  - c. Following selection and approval of the auctioneer, the Purchasing Administrator will coordinate the auctioneer's tagging of LBTS department items to be auctioned. Each LBTS department is responsible for the transportation of its auction items from storage to the designated auction location.
  - d. The Purchasing Administrator shall have the Town Clerk advertise the date, time, and location of the auction at least thirty (30) days in advance of the auction date.
  - e. The Purchasing Administrator or designee must be present at the auction in its entirety.



- f. The auctioneer shall make payment to LBTS within fifteen (15) days from the date the auction is held. In addition to the payment, the auctioneer shall provide LBTS with sales receipts showing tag number, sale price and to whom each item was sold.

4. Abandonment.

### B. REAL PROPERTY

The following bidding procedures shall be employed whenever LBTS seeks to sell and convey any real property belonging to LBTS.

1. Prior to advertising for bids on LBTS-owned real property, LBTS shall obtain a written appraisal performed by a state certified real estate appraiser with an MAI designation. Appraisers selected to appraise real property pursuant to this Section shall, prior to contracting with LBTS for appraisal services, submit an affidavit substantiating that the appraiser has no vested or fiduciary interest in the property which is the subject of the appraisal.
2. Public notice of the invitation to bid calling for bids for the purchase of the subject real property shall be published once a week for at least two (2) weeks in a newspaper of general Broward County circulation.
3. The contract for purchase shall be awarded to the highest bidder whose bid meets the requirements and criteria set forth in the invitation to bid and instructions to bidders unless the Town Commission rejects all bids because they are too low.
4. Bid security shall be required for all bids for the purchase of LBTS-owned real property in an amount equal to ten percent (10%) of the highest appraisal value of the property.
5. Disposal of the LBTS-owned El Prado property is subject to the restrictions contained in Section 7.2 of the Town Charter.





Document comparison done by DeltaView on Monday, April 18, 2011 4:28:33 PM

**Input:**

Document 1	file://U:/Harlene/Lauderdale by the Sea/Purchasing/PURCHASING MANUAL.doc 10-09.doc
Document 2	file://U:/Harlene/Lauderdale by the Sea/Purchasing/purchasing manual 4-18.DOC
Rendering set	Standard

**Legend:**

Insertion

~~Deletion~~

~~Moved from~~

Moved to

Style change

Format change

~~Moved deletion~~

Inserted cell

Deleted cell

Moved cell

Split/Merged cell

Padding cell

**Statistics:**

	Count
Insertions	9
Deletions	46
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	55