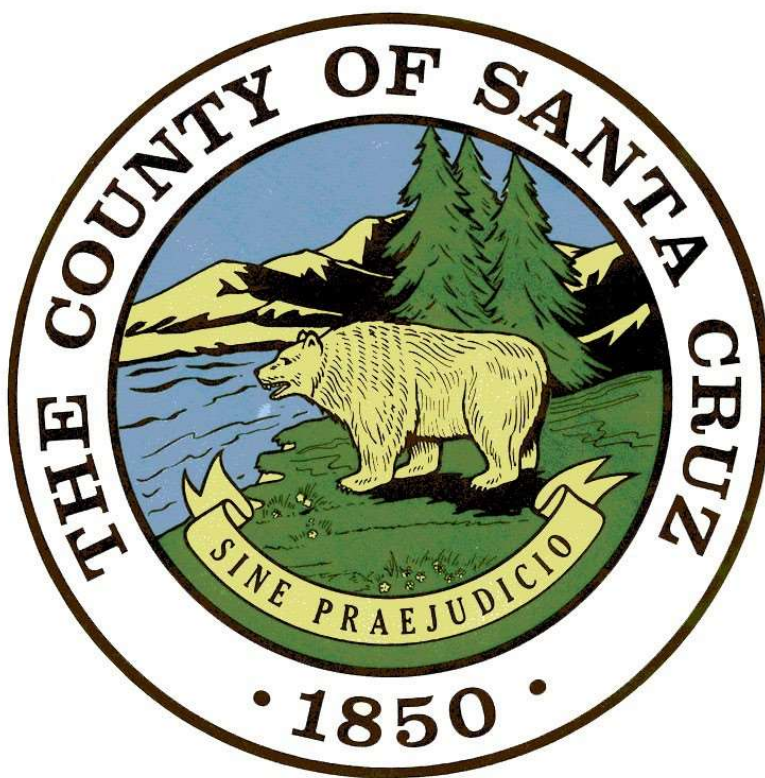


# COUNTY OF SANTA CRUZ

## PURCHASING POLICY MANUAL



GENERAL SERVICES DEPARTMENT  
December 2024

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## INTRODUCTION

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The purpose of this Purchasing Policy Manual (Manual), which has been approved by the Santa Cruz County Board of Supervisors (the Board), is to set forth the conduct of purchasing activity in Santa Cruz County (the County). Failure of a County employee to comply with this Manual may result in disciplinary action.

The General Services Department (GSD) Purchasing Division (Purchasing) is responsible for the purchase of supplies, equipment, and services for the County unless there is an exception stating otherwise in an ordinance, Board policy, or this Manual.

Purchasing is responsible for providing direction and guidance in all phases of material utilization, including acquisition, storage, distribution, re-utilization and disposal. Purchasing also provides direction and guidance to departments in all matters relating to pre-requisition investigation of possible supply sources and alternative product examinations, specification preparation, inspection and receiving practices, quality control, order follow-up, materials expediting and the enforcement of the terms and conditions of purchase orders issued by the County.

## ETHICAL STANDARDS OF PURCHASING

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### 1.0 ETHICAL STANDARDS FOR PURCHASING ACTIVITIES

#### 1.1 Policy Statement

It is the County's policy to promote government integrity and guard against the appearance of impropriety by prescribing the following essential standards of ethical conduct.

- a. County employees shall discharge their duties impartially in order to ensure fair competitive access to governmental procurement by responsible contractors and to foster public confidence in the integrity of the County procurement system.
- b. County employees shall not solicit, demand, accept or agree to accept a gratuity, an offer of employment or any other benefit in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement, specification, standard, solicitation or contract.
- c. County employees shall not participate directly or indirectly in a procurement when the employee knows that:
  - 1) The employee or any member of the employee's immediate family has a personal financial interest pertaining to the procurement;
  - 2) A business or organization in which the employee, or any member of the employee's immediate family, has a personal financial interest pertaining to the procurement; or
  - 3) Any other person, business or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning employment is involved in the procurement.
- d. County employees who fail to comply with this policy may be subject to disciplinary action and criminal prosecution.

#### 1.2 Discovery of an Actual or Potential Conflict of Interest

Upon discovery of an actual or potential conflict of interest, an employee shall promptly withdraw from further participation in the transaction involved and notify the GSD Director. The GSD Director will consult with County Counsel for an opinion whenever there is a question of an appearance of conflict.

## ETHICAL STANDARDS OF PURCHASING

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### 1.3 Supplier Ethics

- a. It shall be a breach of ethical standards for any person to offer, give, or agree to give any County employee a gratuity, an offer of employment or any other benefit in connection with any decision, approval, disapproval, recommendation, specification, standard, solicitation or contract.
- b. It shall be a breach of ethical standards for any person or firm to present false documents or falsely represent its firm.
- c. Suppliers shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the County's best interests. This obligation shall apply to suppliers' employees, agents, subcontractors, and third parties associated with accomplishing work for the County.
- d. A breach of Manual Section 1.3 (a) or (b) may result in debarment for consideration of awards as described in Manual Section 13.
- e. Personal purchases shall not be made by or for County employees through the County's procurement system unless such purchases have been authorized by the Board as a special program available to all County employees.
- f. Unsolicited vendor inquiries, meetings, or "cold calls" shall not be directly sent to County departments. All inquiries of this nature must be routed to Central Purchasing.

### 1.4 Unlawful Purchases

If any office, department, or employee (other than employees of Purchasing authorized to make purchases), contracts for any supplies, materials, equipment or contractual services contrary to the purchasing policies as described in this Manual and provided in Santa Cruz County Code (County Code), such purchase or contract shall be void and of no effect, and the cost shall not constitute a legal charge against the County.

## CENTRALIZED PURCHASING

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### 2.0 CENTRALIZED PURCHASING

It is the County's intent to reduce the total costs associated with the acquisition and management of commodities and services by purchasing competitively and wisely and by hiring and training people specifically skilled in the business of purchasing.

The GSD Director has been designated as the County's Purchasing Agent. County law governing purchasing is found in County Code Section 2.37.

### 2.1 Scope

Purchasing shall:

- a. Purchase, lease, lease/purchase or rent all equipment, materials, supplies and all other personal property (maximum \$200,000 per contracted item) for the County unless specified otherwise in County Code or in this Manual.
- b. Engage independent contractors for personal (non-professional) services where the cost does not exceed \$200,000, except as noted under Manual Section 2.4. Contracts shall not be split between fiscal years to circumvent this dollar limitation.
- c. Employ independent contractors, upon receipt of a requisition, suitable specifications, and supporting documentation for construction and repair work as further detailed in Manual Sections 10 and 11. Suitability of specifications for bidding purposes will be determined by Purchasing.
- d. Sell or otherwise dispose of all personal property determined to be surplus to the County's needs. Personal property with an estimated value of \$5,000 or more must be declared surplus by the Board.
- e. Authorize transfer between concurring departments of personal property with an estimated value of \$5,000 or less. Transfer of personal property with an estimated value of \$5,000 or more must be approved by the Board.

### 2.2 Objectives

- a. To provide increased economy in County procurement activities and to maximize to the fullest extent practicable the value of public funds expended for purchased materials or services.
- b. To provide safeguards to ensure the maintenance of a procurement system of high quality and integrity.
- c. To ensure the fair and equitable treatment of all persons and business that deal with Purchasing.
- d. To buy the right material of the right quality and in the proper quantity at the right time from the proper source.
- e. To reduce the overhead cost of buying through a reduction in the volume of individual orders and improving the flow of paperwork.

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**CENTRALIZED PURCHASING**

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- f. To seek values that provide the best combination of price, quality and service.
- g. To seek purchasing savings by consolidating departmental requirements and making volume purchases.
- h. To promote a system of standardization throughout the County whenever appropriate and practical.

**2.3 Competitive Purchasing – General**

- a. The County is committed to a program of purchasing competitively and wisely. Departments are forbidden to artificially divide purchase requisitions to circumvent any competitive bidding requirement. In addition, no department or employee shall draft or cause to be drafted any specifications in such a manner as to limit the bidding directly or indirectly to any one specific concern, or any specific brand, product, thing, or service. Certain items are approved as exempt from competitive bidding requirements or are approved as sole source purchases as provided for under Manual Section 2.4 - Exceptions and Section 3.4 - Sole Source Requests. Purchasing's objective is to obtain competition from responsible suppliers, and to ensure that the materials bought through such competition are properly suited to the job intended, both as to price and quality.
- b. Purchasing is authorized to make purchases from other public agencies without seeking competitive bids and may use Joint Powers Agreements, Cooperative Purchasing Programs, Pooling Agreements, and other recognized types of agreements used by government to combine agency requirements for purchases. However, the prices paid must be competitive with comparable products offered in the marketplace.
- c. Except as otherwise provided by law, the County may reject all responses received in response to any solicitation if it is determined that the price, terms or surrounding circumstances of the responses received are such that award of a contract based on that solicitation would not be in the County's best interests. (Refer to Manual Sections 3.2 and 11.10.)
- d. Although election materials are exempt from competitive bidding pursuant to Manual Section 2.4(b) and State law, the Elections Department will keep records that show price comparisons and may, at the option of the Registrar of Voters and without placing the security or conduct of an election at risk, attempt to secure the best prices for like elections-related materials, commodities and services of election items. The Registrar of Voters is encouraged to use the services of Purchasing for items that are non-election sensitive when possible. No provision of the Manual is to be interpreted to direct that the purchase of election materials, commodities, and services must be processed through Purchasing and be subject to the normal competitive bidding process, as provided in California Public Contract Code § 100 and California Elections Code § 12107.

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**CENTRALIZED PURCHASING**

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**2.4 Exceptions to the Competitive Process**

Except as otherwise directed by law, or by the Board, competitive bidding is not required for the following purchases:

- a. Expert and professional services that involve extended analysis; the exercise of discretion and independent judgment in their performance; and an advanced, specialized type of knowledge, expertise, or training customarily acquired either by a prolonged course of study or equivalent experience such as accountants, physicians, social service consultants, labor consultants, investigators, attorneys, architects, landscape architects, surveyors, engineers construction management services, and environmental services (California Government Code § 4526).
- b. Election supplies and services.
- c. Legal brief printing, stenographic services, and transcripts.
- d. Books, publications, subscriptions, recordings, motion picture films, and annual book and periodical contracts.
- e. Expert services for the District Attorney, Public Defender's Office, County Counsel or Sheriff-Coroner.
- f. Appraiser services.
- g. Consultants and other experts contracted directly by the Board.
- h. Insurance.
- i. Contracts for services that by law, some other office or body is specifically charged with obtaining.
- j. Public utility services.
- k. Ordinary travel expenses.
- l. Petty cash items not available through other County sources.
- m. Personal property or services obtainable:
  - 1) from any other governmental agency and owned or provided by such other governmental agency, or
  - 2) from any other governmental agency that has a contract with a supplier that allows such other governmental agency to acquire such property or services and resell them to other governmental agencies, (i.e. cooperative purchasing agreements), or

**CENTRALIZED PURCHASING**

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- 3) from any private supplier that has a contract with another public agency and such private supplier produces satisfactory documentation that:
  - i. such other contract is currently then in effect, and
  - ii. such contract was let through a competitive pricing process, such as competitive written bids, request for proposals, or quotes for such items, and
  - iii. such items to be acquired by the County are of comparable description and quality as the items described in such other governmental contract, and
  - iv. the price of such items to be acquired by the County is not greater than that specified in such other governmental contract.
- n) Where law fixes the price of property or services.
- o) Automotive and heavy equipment repairs.
- p) Proprietary drugs and pharmaceuticals, medical supplies and equipment.
- q) Training, seminars, and classes for County personnel.
- r) Sole source procurement, defined as an award for a commodity or service which can only be purchased from one supplier, usually because of its technological, specialized, or unique character.
- s) Emergency purchases necessary when unforeseen circumstances require an immediate purchase to avoid a hazard to life or property or serious interruption of the operation of a County department, or the necessary emergency repair of County equipment or heavy equipment required for the operation of a County department.
- t) When the County Administrative Officer, Auditor-Controller, Purchasing Agent or his/her designee determines, with the concurrence of the Board when the amount of the contract exceeds \$200,000, that it is in the County's best interests to renew a contract award from the previous contract period, based on satisfactory service and reasonable prices, to avoid the interruption of County business and/or based on good business sense if pursuant to the terms and conditions of the contract.
- u) When the product/services are needed by the County pending a bid award and a contractor agrees to provide such product/services at the same contract price as a previous award, until a new contract has been awarded. Such interim period contracts shall not exceed six months, or until conclusion of a bidder's appeal.
- v) Fuel credit card purchases.

## CENTRALIZED PURCHASING

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### 2.5 Emergency Procedures

- a. Definition: Items or services immediately necessary when unforeseen circumstances require a purchase to avoid a hazard to life or property or serious interruption of the operation of a County department, or the necessary emergency repair of County equipment or heavy equipment required for the operation of a County department.
- b. Use: May be made by any person or official authorized to sign requisitions, but only when Purchasing personnel are not available. When Purchasing personnel are available, special arrangements may be made through them to meet emergencies.
- c. Approval and Confirmations: Emergency purchases made independent of Purchasing must be approved and confirmed as soon as possible after the emergency action is taken.

If Purchasing refuses confirmation, the Board may subsequently approve and confirm such purchase by a majority vote of members present at any of its regular meetings.

The Board must subsequently approve and ratify emergency purchases made for services over \$200,000 and for construction services over \$60,000.

- d. Failure to gain approval and confirmation: Unless such purchases are approved and confirmed by either Purchasing or the Board, the cost thereof, shall not constitute a legal charge against the County, except as such purchases may otherwise be authorized by law.

### 2.6 Standards

The Purchasing Agent is responsible for standardization. Standardization is the organized process of obtaining solutions to common problems by establishing agreement on specific quality, design, size, color, etc. and the established agreement is a standard.

The County purchases many products that are standardized (carpet, furniture, task chairs, etc.). When standards are adopted, only items meeting those standards may be purchased. However, no standard is meant to be unchangeable and each standard is subject to review. Suggested changes to existing standards and establishment of new standards should be submitted to the Purchasing Agent.

The Purchasing Agent may organize one or more committees to assist in establishing standards of type, design, quality and brand of purchases. The Purchasing Agent or designee shall be the chair of any such committees, which may include department heads or their representatives, and/or other staff.

## CENTRALIZED PURCHASING

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### 2.7 Off-Shore Outsourcing - Purchases of Services

- a. Goal: It is the Board's goal to promote the purchase of services provided by United States companies and employees.
- b. Definition: Off-shore services as defined in this policy are services provided from an off-shore location (foreign country). Examples of such services may include, but are not necessarily limited to, customer support service, telemarketing, and financial auditing.
- c. Policy: It is the County's policy to not purchase services from off-shore companies or where company employees are located off-shore. Contracts for services shall contain a clause that requires contractors and subcontractors to certify that all work done under such contracts will be performed solely by workers within the United States.
- d. Waiver: The Purchasing Agent may waive this requirement to respond to an emergency or operational need where no contractor within the United States is immediately available; or the contract is necessary to provide a unique service that is mandatory and cannot be performed adequately by workers within the United States. The department will be responsible for disclosure of these circumstances in a subsequent board letter.

### 2.8 Environmental Purchasing

The County's goal is to reduce global warming effects generated by government operations. In this endeavor, terms and conditions of all solicitations shall encourage, whenever possible, services and products that are proven to be beneficial to the environment. Examples of these green standards are Electronic Product Environmental Assessment Tool (EPEAT), Energy Star, EcoLogo and Green Seal.

## TYPES OF SOLICITATION

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### 3.0 TYPES OF SOLICITATIONS

Solicitations are purchasing processes designed to seek and obtain goods and/or services. Three types of solicitations utilized by Purchasing and County departments are discussed in this section including: Request for Quotations (RFQ), Invitation for Bids (IFB) and Request for Proposals (RFP). In general, RFQs and IFBs are used when requirements are specific and well understood or when complete details are available. Quotations are typically requested when advertising is not being employed and may be used by departments in certain situations to document and support requisitions. IFBs are generally used when advertising is used and for all public construction projects valued at \$200,000 or more. RFPs are generally used when there are a variety of ways to meet a need, specifications are not available or not fully determined, and/or when professional services or certain personal services are required.

For all three solicitation types (RFQs, IFBs, and RFPs), any prospective contractor who develops or drafts specifications, requirements, statements of work, or other documents shall be excluded from competing for such procurements. Such prospective contractors are ineligible for contract awards resulting from such procurements regardless of the procurement method used. However, prospective contractors may provide specification information related to a procurement and still compete for the procurement if Purchasing, and not the prospective contractor, develops or drafts the specifications, requirements, statements of work, invitations for bid, and/or requests for proposals used to conduct the procurement (2 CFR section 416.1(a)).

Board of Supervisors approval is not required to release a solicitation. If indicated by County policy, the Board may be required to approve funding. If the cumulative total exceeds the Purchasing Agent's authority the Board is required to approve any subsequent contract after the solicitation process concludes.

### 3.1 Request for Quotations (RFQ)

a. When to Use

An RFQ may be used to obtain supplies, equipment, and certain services.

b. Difference Between RFQ and IFB

All of the policies and procedures listed in Manual Section 3.2 - Invitation for Bids pertain to RFQs except the requirement for public bid opening, confidentiality of quotations and the restriction against negotiations. There is no public bid opening when an RFQ is used as the solicitation process, and negotiations may be conducted with the selected supplier for final order conditions. Therefore, quoted prices shall be maintained as confidential working papers until the resultant purchase order is awarded.

c. Acceptance of Late Quotations

Late quotations may only be accepted with the discretionary approval of the Purchasing Agent and when in the County's best interests.

## TYPES OF SOLICITATIONS

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### 3.2 Invitation for Bids (IFB) – Non-Public Projects

#### a. When to Use

An IFB may be used to obtain supplies, equipment, and certain services that can be clearly specified and awarded to the lowest responsible, responsive bidder. The IFB process may also be used for public projects \$10,000 and higher. The bidding process for public projects is discussed in Manual Section 11 and County Code Section 2.35, and incorporated herein as part of this Manual.

#### b. Pre-Qualification

##### 1. Pre-Qualification of Bidders

A two-step bidding process may be used to pre-qualify bidders when deemed appropriate by the Purchasing Agent. Bidders are pre-qualified by responding to a solicitation to establish responsibility. The information requested from vendors may include financial background, capacity to perform, lines of credit, manufacturers' authorizations and relevant experience.

Qualified bidders may then be asked to participate in a price solicitation.

##### 2. Pre-Qualification of Commodities

Commodities may be pre-qualified either through study and recommendation by an approved Standards Committee, or through a two-step bidding process as referenced in Manual Section 3.2(b)(1).

##### 3. The following factors, among others, may be used for pre-qualification:

- Quality of commodities or services
- Experience with the commodities involved
- Maintenance cost
- Economic life cycle cost
- Length of time the commodity has been on the market
- Compatibility of existing equipment
- Available warranties
- General reputation and experience of the bidder
- Evaluation of the bidder's ability to service the County
- Prior knowledge of and experience with the bidder in terms of past performance
- Other legal protection provided in the purchase

## TYPES OF SOLICITATIONS

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c. Format for IFB Document

IFBs are prepared by Purchasing. IFBs contain the following elements:

Specifications: Clear, concise specifications must be provided. Frequently, specifications state "brand name or equal." "Brand name" includes identification of products by manufacturer, make, and model. Such identification is intended to be descriptive, but not restrictive. Bidders offering an "equal" must submit complete specifications and/or samples with their bids. Determination of equality shall be at the sole discretion of the County.

If it has been justified and accepted by the requesting department and the Purchasing Agent or an approved Standards Committee that only one brand can meet the County's needs, "no exceptions" shall be noted in the specifications. Documentation for not allowing exceptions must be on file in GSD.

1. Responsibility Criteria: Include items such as business references, plant capacity, credit data, financial statements, recent tax returns, licenses, bonding and insurance.
2. Bid Submission Information: Includes the time and date for bidders conference (if any); where, when, and how bids are to be returned; contacts for information during the solicitation period; required signatures on bids; cost/price submission instructions, etc.
3. Terms and Conditions: Include standard terms and conditions that will be incorporated in the purchase order/contract and any special conditions in the bid document.

d. Acceptance of Bids

Bids must be received prior to or at the time specified in the bid. Late bids shall not be considered under any circumstances. A late bid will be date stamped and returned to the bidder, unopened, along with a letter notifying the bidder that the bid was received late and was not considered.

e. Bid Opening

The Purchasing Agent or designee shall administer all bid openings and all bids shall be opened in the presence of one or more witnesses at the time and place designated in the IFB. The County assumes no responsibility for the confidentiality of bid information unless specifically stated otherwise in the IFB.

f. Rejection of Bids

The County may reject any or all bids when deemed to be in the County's best interests; reject any bid not accompanied by any required bid security or by other data required by bid documents; reject any bid which is in any way incomplete, irregular, or otherwise not in compliance with bid documents in all material respects or reasonable interpretation; and/or waive any informality, irregularity, immaterial defect, or technicality when deemed to be in the County's best interests.

## TYPES OF SOLICITATIONS

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### g. Bid Award Consideration

#### 1. Cost Factors

In addition to the total bid price (including any discounts), unit or extended price, and administrative costs (if applicable), hourly rates for specified personnel, the County's administrative costs, maintenance costs and warranty provisions may be considered. Life cycle costs, repurchase value, residual value of equipment after a specified number of years, and or cost and rate of use of consumables may be considered in cases where these costs are relevant and measurable.

#### 2. The following responsibility factors may be considered:

- Bidder's general reputation and experience.
- Bidder's ability to service the County.
- Bidder's financial ability to successfully meet the requirements of the contract.
- County's prior knowledge of and experience with the bidder in terms of past performance.
- Nature and extent of company data furnished by bidder upon request of the County.
- Size and location of the bidder's warehouse.
- Bidder's ability to meet delivery and stocking requirements.
- Bidder's experience with the commodities or systems.
- Length of time the commodities or systems have been on the market.

Awards shall be made to the lowest responsible, responsive bidder(s).

A responsible bid is one that has demonstrably met the following criteria in the solicitation:

- Capacity to perform – fiscal, physical, experience, on schedule, etc.
- Ability to comply with applicable laws and regulations – licenses, insurance, bonding, etc.

#### 3. Responsiveness Factors

The following responsiveness factors may be considered:

- Adherence to all conditions and requirements of the bid specifications.
- Quantity and quality of merchandise offered.
- Compatibility and/or continuity with existing commodities or systems.
- Overall completeness of the commodity line offered.
- Delivery or completion date.

A responsive bid is one that adequately meets all solicitation requirements. To be responsive, the bid or proposal must not constitute a different offer or make substitutions for requirements stated in the solicitation.

#### 4. Local Preference

When all other factors are determined to be equal, preference shall be given to firms having a bona-fide place of business within the County of Santa Cruz and shall be afforded the opportunity to match the low bid as specified in Manual Section 8.4.

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## TYPES OF SOLICITATIONS

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### 3.3 Request for Proposals (RFP)

a. When to Use

An RFP may be used when the County's requirements are not precisely defined or quantified. RFPs are used when it is necessary to obtain the services of professional consultants, architects, engineers, and design firms and are generally required when the total contract for services will exceed \$200,000. Awards made as a result of RFP solicitations are not based solely on cost factors but upon the technical and programmatic superiority of the offeror's proposal. However, the selected proposal should include a price that is within reasonable proximity of other qualified offerors. RFP procedures for consultants, architects and engineers are further described in Manual Sections 4.8 and 4.9.

b. General Procedures

1. GSD shall be responsible for maintaining a current file, open for public inspection and updated regularly of firms/consultants in various professional categories. The list of firms will identify those that have indicated through a self-certification process that they are minority, female or disabled owned businesses (MBE, WBE, DBE).
2. RFPs for professional consultants and architectural and engineering firms for contracts more than \$200,000 require Purchasing Agent approval prior to release.
3. It is recommended that RFPs for professional services be submitted to GSD Purchasing for consultation and review prior to release.

c. Pre-Qualifications

It is sometimes advantageous to conduct a two-phased RFP process in which the first phase is a pre-qualification of firms. This initial phase screens potential offerors for qualifications prior to requesting proposals. Manual Section 3.2 (b) discusses this process.

d. Advertising/Notice

If appropriate, an advertisement announcing the RFP should be placed in at least one local newspaper of general circulation. Notice should also be sent to firms identified by Purchasing and the requesting department, other interested firms and/or those firms who have been screened through a pre-qualifications process.

e. Basic RFP Format

To develop consistency in the preparation of RFPs, Purchasing developed a standardized RFP format. Use of this format helps to ensure that the RFP contains adequate information about the needed service, facility or program and the RFP requirements. More technical proposals may require additional information. Purchasing is available upon request to provide assistance in the development of RFPs. The basic format for the preparation of an RFP, including a description of what should be included in each section, follows:

1. General Project Description

Provide a summary description of the needed facility or program and a general description of the services required.

## TYPES OF SOLICITATIONS

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2. **Project Background**  
Provide relevant background information on the project. A description of the site or program, significant historical data and information on existing facilities and/or programs may be provided. A clear concept of the needed facilities or program should be outlined. A vicinity map and scale site map may be provided. Any available resources such as completed studies, surveys and preliminary feasibility work that are relevant to the project and available to consultants may be listed. Information on the overall project budget, including funding sources, may be listed if available.
3. **Scope of Work**  
Provide the scope of work and services needed in detail. Provide a clear understanding of what will be required, including items such as the degree of community input expected and any required time schedules. Clearly define whether the consultant or County will be responsible for related services such as obtaining feasibility studies and permits, coordinating construction, conducting public meetings, and developing budgets. If construction coordination is required, the consultant's role and level of responsibility should be clearly defined to ensure contractor compliance related to construction documents and responsibilities for contract administration.
4. **Services and Materials to be Provided by County**  
List all services to be provided by the County, and available documents relative to the project. Typical services that may be handled by either the County or contractor include: obtaining surveys, processing permits, coordinating construction, preparing bid documents, obtaining geologic data and conducting public hearings and/or meetings.
5. **County Liaison**  
Provide the name and contact information of the person acting as the County's liaison on the project, if applicable, and advise consultants to direct all questions regarding the project to the liaison.
- 6) **Terms and Conditions**  
Include the County's standard contract terms and conditions and insurance requirements unless insurance requirements are in a separate section in the RFP package. Contact Risk Management to obtain the appropriate language for insurance requirements if necessary.
- 7) **Selection Criteria**  
List the criteria that will be used to evaluate proposals and the relative importance of each criterion. Outline the process that will be used to select a contractor. A rating sheet should be prepared which lists the selection criteria and their relative weighting in the scoring process. A copy of the rating sheet may be provided to the offerors so that they understand the scoring factors and their relative importance to each other.  
  
Typical selection criteria may include the following:
  - (i) Technical approach.
  - (ii) Qualifications of the firm.
  - (iii) Qualifications of the specific personnel who will work on the project.

## TYPES OF SOLICITATIONS

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- (iv) Project management and adherence to required time schedules. Consideration may be given to the location of the firm's office and the resulting availability of the firm for meetings with staff and the public, if necessary.
- (v) Cost
- (vi) References
- (vii) Local Vendor Preference  
At the discretion of the Purchasing Agent, the selection criteria of a County solicitation that requires Board approval may include a local vendor preference up to 10 points on a 100-point scale. The local vendor must qualify for this consideration by following the certification procedure found in Manual Section 8.4. Refer to Manual Section 14 for requirements for Federal awards per 2 CFR Part 200 Subpart A.

### 8) Proposal Requirements

List the specific proposal requirements including the date, time and place for submittal, and any specific insurance, licensing or legal requirements.

Typical proposal requirements may include the following:

- (i) Name, address and telephone number of the firm submitting the proposal.
- (ii) Identification of the project manager and/or principal contact.
- (iii) A complete description of the approach to the analysis and how the major work elements are to be accomplished.
- (iv) Detailed estimate of work hours per task.
- (v) A listing of personnel who would actually perform the work, including any subcontractors, and the amount of time that each would commit to the project by task.
- (vi) Reference information including contact information.

### f. Acceptance of Proposals

Proposals are to be received at the time and place specified in the RFP. All proposals will be date-stamped upon arrival. Late proposals will only be considered when it has been determined to be in the County's best interests to do so and may only be accepted within 24 hours after the scheduled closing. Approval of the sponsoring department head and, if the proposal is administered by Purchasing, the Purchasing Agent shall be required for acceptance of late proposals. In all instances, County Counsel shall be consulted prior to accepting a late proposal.

A responsible proposal is one that has demonstrably met the following criteria in the solicitation:

- Capacity to perform – fiscal, physical, experience, on schedule
- Ability to comply with applicable laws and regulations – licenses, insurance, bonding

## TYPES OF SOLICITATIONS

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A responsive proposal is one that adequately meets all solicitation requirements. To be responsive, the bid or proposal must not constitute a different offer or make substitutions for requirements stated in the solicitation.

g. Notification

Proposers will be notified of the award winner. Protests and appeals of award decisions are discussed in Manual Section 12.0.

### 3.4 Sole Source Requests

a. Policy

Circumstances sometimes require that certain goods and services can only be feasibly obtained from a sole source. Sole source acquisitions must be justified in sufficient detail in writing to explain the basis for suspending the usual competitive procurement process.

Sole source justification is unnecessary during contract renewal/continuation periods expressly provided for by an RFP or other procurement process. Justification is necessary for continuation of services beyond such periods.

Refer to Manual Section 14 for requirements for Federal awards per 2 CFR Part 200 Subpart A.

b. Justification for Requesting Sole Source Procurements

The following represent factors, if verified, that may justify sole source:

1. What capability does the proposed contractor have that is critical to the specific effort and makes the contractor clearly unique compared to other contractors in the same general field?
2. What prior experience of a highly specialized nature does the proposed contractor have that is vital to the proposed effort?
3. Does the proposed contractor have a substantial investment that would need to be duplicated at the County's expense by another contractor entering the field?
4. If timelines are involved, why are they critical and why can the proposed contractor best meet them?
5. Is competition precluded because of the existence of patent rights, or copyrights?
6. Does this acquisition require compatibility with any existing County equipment?
7. What unique characteristics does the equipment or material offered by the proposed contractor possess that are required to meet the County's needs?
8. Is competition precluded because of existing equipment maintenance program/contracts/warranties?
9. Is this the only contractor available or the only contractor who has responded to the proposed project?

## TYPES OF SOLICITATIONS

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c. Documentation/Approval

Sole source requests should be documented on the Justification for Sole Source/Sole Brand form provided by GSD. Requests should be signed by an authorized department representative and attached to purchasing requests when submitted to Purchasing.

The Board must approve sole source requests for services for contracts totaling an amount greater than \$200,000.

d. Negotiation

Sole source acquisitions require non-competitive negotiation and may require price/cost analyses by Purchasing to determine if price is reasonable.

## CONTRACT PROCUREMENT POLICIES

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### 4.0 CONTRACT PROCUREMENT POLICIES

This section describes procurement policies for the various types of purchases and agreements utilized by the County. Accounting policies and procedures for contracts and agreements are found in County Procedures Manual Title I – Section 300. Refer to Manual Section 14 for requirements for Federal awards per 2 CFR Part 200 Subpart A.

#### 4.0.1 Delegated Authority

County Department Heads have delegated authority to enter into contracts for services using contracts with non-County standard terms in amounts not to exceed \$200,000 in annual aggregate value per department with any single vendor if:

1. The contract can be completed within the same fiscal year; or if its term cannot be completed in the same fiscal year and has a clause that allows for termination without penalty to the County in the event that funds are not appropriated to pay the County's obligation under the contract; and
2. The contract complies with the Santa Cruz County Code; and
3. County Counsel determines after review of the contract that it is a legally binding and enforceable agreement, and that there are no provisions in that contract that present sufficient legal risk as to merit Board approval; and
4. Risk Management approves the contract as to insurance.

### 4.1 Commodities/Equipment

#### a. Definition

Commodities/equipment contracts include all contracts and purchase orders for supplies, materials, and equipment. Equipment (fixed asset) is defined as a Capital Asset costing \$10,000 or more, and its useful life expectancy is one year or more.

#### b. Length of Contract Term

The length of a contract term shall be determined on the basis of the best economic benefit to the County. However, all contracts for commodities and equipment should be reviewed for certification or renegotiation not less than every four (4) years unless otherwise determined to be in the best interest of the County.

#### c. Contract Increases

Agreements for commodities may include negotiated built in cost of living escalators or periodic rate changes.

#### d. Consolidation

Contracts shall be consolidated whenever feasible. Contracts shall not be intentionally split to avoid approval or procurement requirements.

#### e. Emergencies

For the purpose of commodities/equipment contracts, an emergency shall be defined as a sudden, generally unexpected occurrence or set of circumstances that demand immediate action and that if immediate action is not taken, essential services may not be continued or there may be an economic loss to the County. Emergency requests for commodities/equipment must be justified to Purchasing.

#### f. Sole Source Requests

See Manual Section 3.4 for policies and procedures for sole source requests.

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**CONTRACT PROCUREMENT POLICIES**

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**g. Approval Requirements**

Government Code Section 25501 and County Code Section 2.37.040 (B) authorize the Purchasing Agent to make purchases of commodities and equipment. Funding for fixed asset equipment must be approved by the Board during the budget process or at a subsequent meeting of the Board. Exceptions for fixed asset items that were not part of the budget may be made on a case-by-case basis with the approval of the County Administrative Office and reallocation of funds to a fixed asset object by the Auditor Controller Treasurer Tax Collector in the automated purchasing system. The cost of a fixed asset includes sales tax, other taxes, and handling charges.

**h. Procurement**

Supplier selection shall be based on a competitive process whenever feasible and when in the County's best interests. A verbal or written solicitation shall be made as follows:

**1. Commodity Purchases/Contracts to \$5,000:**

Departments are authorized to solicit suppliers at this level. Departments can seek two (2) quotes for the commodity (See Manual Sections 3.1- Request for Quotations and 5.2 - Departmental Procedures). One quote is acceptable, two quotes preferred.

**2. Commodity Purchases/Contracts \$5,001 to \$20,000:**

Departments are authorized to solicit suppliers at this level. Departments should seek three (3) quotes for the commodity (See Manual Sections 3.1 - Request for Quotations and 5.2 - Departmental Procedures). Purchasing staff may waive or forego seeking quotes at this level and process a purchase order in accordance with their understanding of the market and sources of supply.

**3. Commodity Purchases/Contracts \$20,001 to \$50,000:**

Departments are authorized to seek informal written quotations from at least three sources or provide written justification as to why an alternative method is in the County's best interests. Purchasing will evaluate quotations and procurement process and approve as deemed appropriate.

**4. Commodity Purchases/Contracts \$50,001 and up:**

Purchasing shall advertise for prospective suppliers at this level, unless it is in the County's best interests to seek suppliers through other means. Purchasing may seek formal written quotes from at least three sources or provide written justification as to why an alternative method is in the County's best interests.

Multiple contracts may be issued for the same commodity to different suppliers on an as-needed basis to ensure a steady source of supply or when multiple contracts offer the lowest total cost option to the County.

## CONTRACT PROCUREMENT POLICIES

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### 4.2 Written Quotations

Written quotes are allowed on Purchasing's standard Request for Quotation form and, if used, shall include the name and signature of the supplier representative and the date of the quote. Written quotations may also be solicited from suppliers.

### 4.3 Procedures for Capital Asset Accounting

Fixed assets (equipment that has a unit cost of \$10,000 or more and a useful life greater than one year) must be fully budgeted, , and approved in the automated purchasing system by the County Administrative Office. Additionally, if there are insufficient appropriations for an already approved fixed asset purchase, and Budget Manager approval has been given, available appropriations may be transferred to a fixed asset character to facilitate completion of purchase. Exceptions for fixed asset items that were not part of the budget may be made on a case-by-case basis with the approval of the County Administrative Office and reallocation of funds to a fixed asset object by the Auditor Controller Treasurer Tax Collector in the automated purchasing system. Departments shall not independently purchase fixed assets. Departments must list Board approval details as appropriate on their purchase requests.

All equipment needing to draw power from all County maintained facilities requires prior GSD approval through the Work Order System. GSD will determine if adequate power exists to support the purchase of this equipment. Submit GSD's approval to Purchasing as supporting documentation for requisition.

All fixed assets exceeding \$10,000 will still need to be depreciated per the standard Capital Asset Accounting procedures. Further information and instructions on fixed assets can be found in the County Procedures Manual [Title 1 Section 400 - D, Accounting Procedures](#), [Title 1- Section 600, Capital Asset Accounting](#), and [Title V Section 510- Budget Modifications and Transfers](#).

### 4.4 Personal (Non-Professional) Services

#### a. Definition

Personal services contracts and purchase orders include agreements for services provided by skilled tradespersons, technicians and others. Examples of personal services include facility and equipment maintenance, security services, installation of equipment and furnishings, tree trimming, janitorial, etc. Personal services agreements do not include those for public projects, consultants, engineers, architects, designers, and other professional services. Generally, specifications for personal services agreements should be specific enough so that the services can be secured through quotes and/or bids. RFPs may also be appropriate when the service requirements so justify. Certain personal services must comply with the Living Wage Ordinance, County Code Section 2.122 (Refer to Manual Section 4.8 for the Living Wage Ordinance and procedures for compliance.)

This section does not apply to contracts for printing of legal briefs or legal notices; court reporter services; transcripts of evidence; expert services for the District Attorney, Public Defender's Office, County Counsel or Sheriff-Coroner; appraiser services; consultants or other experts employed directly by the Board; insurance; or other contracts for services which by law, some other office or body is specifically charged with obtaining.

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**CONTRACT PROCUREMENT POLICIES**

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**b. Length of Contract Term**

The length of a contract term shall be determined on the basis of the best economic benefit to the County. All continuing contracts for personal services shall be placed on the County's Continuing Agreements List during the budget process. Policies and procedures for the Continuing Agreements List may be found under Title I, Section 300 of the County Procedures Manual. However, all contracts for personal services should be reviewed for recertification or renegotiation not less than every four (4) years, unless approved by County Counsel and CAO, or it is in the County's best interest to do otherwise.

**c. Contract Increases/Adjustments**

Personal services agreements authorized by Purchasing may be increased if the new total is \$200,000 or less and the following applies:

1. Supplier has engaged in any service via an agreement (standard or approved non standard ICA) Maintained in the contracts module. Note: Services without a standard or approved non standard ICA under \$50,000 that can comply with the Purchase order terms and conditions may be processed through the Purchase Order module via a purchase requisition, as long as the vendor has agreed to boilerplate clause indicative of T&C's acceptance noted on outbound email.
2. The need for the service could not be accurately projected and the relative percentage of the increase would not make re-procurement more desirable.
3. An emergency exists whereby time does not permit re-procurement.
4. Other justifiable economic factors necessitate a monetary increase in the contract.

Personal Service Agreements may include negotiated built in cost of living escalators or periodic rate changes. Amendments that increase the total contract to an amount greater than \$200,000 must be approved by the Board.

All Personal Service Agreements in excess of \$50,000 but not exceeding \$200,000 must be executed utilizing one of the County's standard Independent Contractor Agreement templates which have been previously approved by the Board, or a non standard agreement that has been signed off by County Counsel and Risk as noted in Section 4.0.1.

- d.** To prevent incremental contracting, each contract or purchase order should clearly specify the services to be provided, the basis of pricing and payment, the period of the agreement, and the monetary limit.

Contracts and purchase orders shall not be split to avoid approval or procurement requirements.

**e. Emergencies**

For the purpose of personal services contracts, an emergency shall be defined as a sudden, generally unexpected occurrence or set of circumstances that demand immediate action, and that if immediate action is not taken, essential services could not be continued or there could be an economic loss to the County.

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**CONTRACT PROCUREMENT POLICIES**

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## f. Sole Source Requests

See Manual Section 3.4 for policies and procedures for sole source requests.

## g. Approval Requirements

Board policy and County Code has established the following approval limits:

1. **Up to \$200,000** – Purchasing Agent approval if utilizing a standard agreement template previously approved by Board.
2. **Up to \$200,000** – Purchasing Agent approval if utilizing a non-standard agreement that has met the criteria noted in Section 4.0.1.
3. **Up to \$200,000** – Board approval for any non-standard agreements that have not met the criteria noted in Section 4.0.1.
4. **\$200,001 and up** – Board approval.

## h. Procurement

Personal services providers shall be selected through a competitive process whenever feasible and when in the County's best interests. The procurement process shall be as follows:

**1. Personal Services Purchases/Contracts to \$5,000:**

Departments are authorized to solicit providers at this level. Departments can seek two (2) quotes for the services (See Manual Section 5.2 – Departmental Procedures). One quote is acceptable, two quotes preferred.

**2. Personal Services Purchases/Contracts \$5,001 to \$20,000:**

Departments are authorized to solicit providers up to at this level. Departments should seek three (3) quotes for the services (See Manual Section 5.2 – Departmental Procedures). Purchasing will evaluate quotations and procurement process, and approve as deemed appropriate.

**3. Personal Services Contracts \$20,001 to \$50,000:**

Departments may seek written quotations from up to three (3) prospective providers or provide written justification as to why an alternative method is in the County's best interests. Purchasing will evaluate quotations and procurement process and approve as deemed appropriate

**4. Personal Services Contracts \$50,001 to \$200,000:**

Purchasing shall advertise for prospective providers unless it is in the County's best interests to seek providers through other means. Formal written quotes should be requested from at least three sources if available or written justification should be provided as to why an alternative method is in the County's best interests.

**5) Personal Services Contracts with a compensation amount greater than \$200,000 (Board Approval of Contract Required)**

At this level, Purchasing will administer a Solicitation, unless it is in the County's best interests to seek providers through other means. At the conclusion of the procurement the resulting contract must be Board approved,. If applicable, written justification will be included with Board Letter and other request documentation as to why an alternative method is in the County's best interests.

## CONTRACT PROCUREMENT POLICIES

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### 4.5 Master Independent Contractor Agreement (MICA)

Under certain conditions, it may be advisable for Purchasing to establish and implement a Master Independent Contractor Agreement (MICA) for personal services. MICAs can be beneficial in circumstances where the same type of service, such as laundry services, security services, etc., are needed by multiple County departments.

Purchasing may establish a MICA after reviewing County departmental needs for a specific type of personal service and analyzing vendor responses to an RFP conducted by Purchasing based on biddable specifications. A MICA enables Purchasing to take advantage of an economy of scale resulting in significant savings to the County by standardizing and fixing cost rates for a personal service over an extended period of time. It also allows departments to utilize the service without having the burden of developing their own separate Independent contractor agreements for the same type of service or having to obtain Board approval if the service is over \$200,000 annually.

When the MICA is approved by the Board, Purchasing requests approval from the Board for authorization to approve purchase orders or MICA sub-contracts from departments for the service even if they exceed \$200,000. The County's finance software will ensure funds are available to ensure budgetary control. All approved requisitions are reviewed by Purchasing for compliance with the rates established in the master agreement. After the Board approves the agreement, Purchasing places the agreement on the County's continuing list of agreements.

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**CONTRACT PROCUREMENT POLICIES**

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**4.6 Living Wage Ordinance****a. Definition**

The Living Wage Ordinance requires private sector employers who contract with the County to provide specified personal services for greater than \$15,000 cumulatively in one fiscal year to pay their employees assigned to work on County contracts and purchase orders a living wage as defined in the ordinance and annually reviewed and adjusted per County Code Section 2.122.20.b by the Board.

Additional information regarding the Living Wage Ordinance can be found on GSD's Intranet site at: <https://www.santacruzcountyca.gov/Departments/GeneralServices/Purchasing/CurrentLivingWageOrdinance.aspx>

**b. Covered Personal Services Agreements**

Agreements for the following personal services must provide for payment of a Living Wage unless a higher prevailing wage is mandated for these services (see Manual Section 10.2):

- Automotive repair and maintenance
- Equipment repair and maintenance
- Facility and building maintenance
- Furniture moving and installation/maintenance
- Janitorial and custodial
- Landscape maintenance services
- Laundry
- Office and clerical
- Pest control
- Recreation
- Security
- Transportation and shuttle
- Towing
- Tree trimming and removal

**c. Non-covered Agreements**

Agreements not subject to the Living Wage Ordinance include:

- Commodities, goods and supplies
- Public projects (see Manual Section 10.1 below)
- Professional Services (see Manual Section 4.8 following) including but not limited to architects, engineers, landscape architects, land surveyors, construction managers, scientists, physicians, attorneys, financial advisors, consultants
- Leases

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**CONTRACT PROCUREMENT POLICIES**

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**d. Covered Contractors**

Contractors covered under the Living Wage Ordinance include private sector employers with six (6) or more employees who enter into a contract or contracts with the County for any of the services listed under Manual Section 4.8 (b) with a cumulative total in one fiscal year greater than \$15,000.

**e. Covered Employees**

Employees covered under the Living Wage Ordinance include any employee of a covered contractor who performs work for a County agreement. The employee can be full-time, part-time, temporary, seasonal, or regular basis for wages or salary.

**f. Non-Covered Employees**

Employees not subject to the provisions of the Living Wage Ordinance include:

- Employees covered under a collective bargaining agreement.
- Employees 17 years old or younger.
- Designated trainees in a bona fide time-limited training program, which enables the employee to move into a permanent position.
- Positions that require student status as a condition of employment.
- Volunteers.
- Recipients of income support such as SSI who waive in writing their entitlement to a living wage.
- Workers in licensed sheltered workshops or supported employment.
- Recipients of public funds in work experience, on-the-job training, summer employment programs of wage-based community service positions, as defined by the Human Services Department or Health Services Agency Administrators.

**g. Exemptions**

Contractors with five (5) or fewer employees are exempt from the provisions of the Living Wage Ordinance. The Board may grant exemptions based upon findings of economic hardship or unusual circumstances. Refer to Purchasing's Intranet site for Ordinance Exemption Criteria.

**h. Contract Language**

The following language is required in covered services contracts, requests for proposals, and bid documents:

"This contract is subject to the provisions of Santa Cruz County Code Section 2.122, requiring payment of a living wage to covered employees. Noncompliance during the term of the contract will be considered a material breach and may result in termination of the contract or pursuit of other legal or administrative remedies."

**i. Certification**

Covered contractors are required to certify that they are in compliance with the Living Wage Ordinance prior to commencement and execution of a covered contract or purchase order. Refer to Purchasing's Intranet site for the Contractor's Living Wage Packet.

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**CONTRACT PROCUREMENT POLICIES**

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j. Employee Notification

Covered contractors are required to notify employees of the provisions of the Living Wage Ordinance, post the ordinance and Complaint Procedure in the workplace and provide this information to employees upon request.

k. Complaint Process

The County Administrative Officer is the Compliance Officer (CO). Upon receipt of a complaint, the CO has three (3) business days to contact a complainant to obtain more information. The CO forwards the complaint to the contracting County department for investigation. The department has thirty (30) days from the date the CO receives the complaint to conduct its investigation, prepare its findings and notify the CO of its findings. The CO has seven (7) days to notify the complainant of the CO's findings and determination.

l. 3rd Tier Review

As part of the certification of compliance prior to contract commencement, the contractor must include a statement of any findings of violations within the past five (5) years and how they were addressed from the National Labor Relations Board, OSHA, California Labor Commission, Equal Employment Opportunity Commission and/or the Department of Fair Employment and Housing. The Board may decide to use this information as a basis for approving a contract for services.

m. Employee Retention

If a contract for covered services in excess of \$50,000 is terminated prior to its expiration, any new contract with a subsequent contractor for the same services must include the following clause:

"Contractor shall make best efforts to offer employment to qualified employees of the prior contractor for the performance of this contract. Such efforts shall not be required in regard to employees who are (1) exempt under the Fair Labor Standards Act, (2) family members of the prior contractor, (3) employed by the prior contractor for less than six months, or (4) convicted of a job-related or workplace crime. Upon request by the County, the Contractor shall demonstrate to the County the good faith efforts that have been made to comply with this provision."

n. Finance Enterprise Automated Workflow Process

Covered personal services have been classified according to their GL Objects in Finance Enterprise. As part of the automated workflow, Finance Enterprise calculates total payments to vendors for covered services before fully processing purchase requisitions to ensure that vendors have been certified when applicable. Following is the automated workflow process related to covered services:

- If the vendor's total payments for covered services is less than \$15,000 including the amount of the purchase requisition (PR), Finance Enterprise will allow the employee creating the PR (the creator) to save the PR and submit the PR for approval through automatic workflow, including approval by Purchasing, which will turn the PR into a purchase order.

## CONTRACT PROCUREMENT POLICIES

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- If the vendor's total payments for covered services is more than \$15,000 including the amount of the purchase requisition (PR), Finance Enterprise will verify that the vendor has been certified (i.e., Compliance Statement or Exemption is on file for the vendor).
  - o If the vendor has not been certified in Finance Enterprise, Finance Enterprise will auto-deny the PR and notify the PR creator that the vendor requires certification. The department will either have to select another vendor, certify the vendor using the established vendor certification process and submit the vendor certification to Purchasing to update the vendor's record in Finance Enterprise or ask Purchasing to certify the vendor. Purchasing will notify the department when it can proceed with the PR. After the vendor is certified, the PR creator accesses the PR and submits it for approval through automatic workflow, including approval by Purchasing, which will turn the PR into a purchase order.
  - o If the vendor has been certified in Finance Enterprise, Finance Enterprise will allow the PR creator to save the PR and submit the PR for approval through automatic workflow, including approval by Purchasing, which will turn the PR into a purchase order.

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**CONTRACT PROCUREMENT POLICIES**

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**4.7 Professional Services and Consultants**

**(Note: For procurement policies for Architects and Engineers Services- See Section 4.8)**

a. Definition

Professional services and consultant services include services that are of an advisory nature, provide personal expertise and/or recommend a course of action, and have an end product that provides a transmittal of information related to County programs. Providers are selected on the basis of qualifications, subject to the negotiation of a fair and reasonable compensation.

Consultant contracts under this section do not include attorney services contracts that are handled through County Counsel, Public Defender's Office, District Attorney and Risk Management and approved by the Board.

b. Contract Criteria

Professional and consultant services contracts may be secured when one or more of the following conditions exist:

- 1) An urgent situation that cannot be resolved by County employees.
- 2) Temporary, intermittent, or irregular services that cannot effectively be performed by County employees.
- 3) Special or highly technical skills or services that cannot be secured through County employees.
- 4) A need for an independent opinion, appraisal, audit or similar service.
- 5) A lack of sufficient personnel to accomplish the work in the required time frame.

c. Length of Contract Term

The length of a contract term shall be determined on the basis of the best economic benefit to the County. Contracts for professional services may be included on the County's Continuing Agreements List through the budget process. Policies and procedures for the Continuing Agreements List may be found under County Procedures Manual Title I, Section 300 I. However, all contracts for professional services should be reviewed for recertification or renegotiation not less than every four (4) years.

d. Contract Adjustments/Increases

Contracts for professional services may include negotiated built-in cost-of-living escalators or periodic rate changes. Amendments that increase the compensation paid to the vendor to an amount greater than \$200,000 must be approved by the Board.

e. Incremental Contracting

To prevent incremental contracting, each Fully Executed Independent Contractor Agreement or fully executed non-standard agreement shall clearly specify the following:

- 1) Work to be performed.
- 2) Service/product to be provided.
- 3) Cost detail of services/material charges.
- 4) Period of contract.
- 5) Monetary limit of contract.
- 6) Terms and conditions.

Contracts shall not be split to avoid approval or procurement requirements.

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**CONTRACT PROCUREMENT POLICIES**

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**a. Emergencies**

For the purpose of professional and consultant services contracts, an emergency shall be defined as a sudden, generally unexpected occurrence or set of circumstances that demand immediate action and that if immediate action is not taken, essential services could not be continued or there could be an economic loss to the County.

**b. Sole Source Requests**

See Manual Section 3.4 for policies and procedures for sole source requests.

**c. Approval Requirements**

The Board has set the following approval limits for Professional Services and Consultants

- 1) Up to \$200,000 Purchasing Agent Approval
- 2) Amount greater than \$200,000—Board Approval

County Department Heads have delegated authority to enter into contracts for services using contracts with non-County standard terms in an amount not to exceed \$200,000 in annual aggregate value per department with any single vendor if the criteria set in Section 4.0.1 is met.

**d. Procurement**

Procurement/selection procedures for professional and consultant services contracts are based on the Qualifications Based Selection (QBS) process used by many State and Federal Government agencies. The system used by the County consists of a 3-tiered approach with estimated fees used as the factor that determines the type of process to be used. The qualifications-based approach is essentially a process used to select consultants and other professional services on the basis of qualification, subject to negotiation of fair and reasonable compensation.

The typical qualifications-based system consists of selecting the consultant believed to be best qualified to carry out the project then negotiating a fee for the services. If an agreement on the scope of services and compensation cannot be reached, negotiations with the first ranked firm are terminated, and negotiations are opened with the second ranked firm.

The procedures to be used in the selection of professional and consultant services may be modified with the approval of the County Administrative Officer or at the direction of the Board. Such procedure modifications shall only be authorized where specific qualifications or circumstances indicate that the procedures in effect are inconsistent with the most timely or efficient selection of the best qualified contractor. When the use of modified procedures is necessary, the initiating department shall note the reason for the procedural modification as part of the department contract file.

GSD will maintain a file of firms that have indicated an interest in providing services to the County and that have registered as a vendor through the County's vendor registration website. Purchasing will solicit the cooperation of local professional organizations and individuals to encourage participation by local firms on the list of consultants. In addition, in accordance with County Policy, minority owned business enterprises (MBE), women owned business enterprises (WBE) and disabled owned business enterprises (DBE) firms will be encouraged to apply.

## CONTRACT PROCUREMENT POLICIES

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Categories for the three - tiered selection process are:

**1. LEVEL ONE - Professional services that have an estimated fee at or below \$50,000.**

The sponsoring department interested in obtaining consultant services reviews the vendor registration database and any other internally maintained vendor lists of firms and selects firms it feels are best qualified for the project. Typically, at least three (3) firms should be interviewed and the basis of selection of the desired firm shall be noted on the purchase requisition and/or supported by the requisition's attachments. After selecting an appropriate firm for the project, the sponsoring department negotiates a reasonable fee for the services and submits a purchase requisition for the services to Purchasing. The vendor must comply with the County's standard purchase order terms and conditions. If deemed in the County's best interests, departments may instead use standard independent contract agreement or non-standard agreement if the criteria noted in Section 4.0.1 is met.

**2. LEVEL TWO - Professional services that have an estimated fee of \$50,001 to \$200,000.**

The sponsoring department reviews the vendor registration database and any other internally maintained vendor lists of firms and invites a list of three to five firms to submit proposals. The sponsoring department evaluates the proposals, reviews appropriate references and selects the firm it believes to be best qualified to complete the project. The department and first ranked firm negotiate an agreement on the scope of work, scheduling, completion date and compensation. If no agreement is reached, negotiations with the first ranked firm are terminated and negotiations with the second ranked firm are opened.

Once the negotiations have been completed, the sponsoring department prepares a fully executed standard independent contractor agreement or a fully executed non-standard agreement if the criteria noted in Section 4.0.1 has been met. Once complete, the department will submit a Purchasing Authority Contract to Purchasing.

**3. LEVEL THREE - Professional services that have an estimated fee of greater than \$200,000.**

Level Three projects require the formal solicitation process, which requires preparation of solicitation. The solicitation will be advertised and all firms on an identified vendor lists for the applicable type of work will be notified and invited to submit proposals. A selection committee will be determined, vetted for conflicts of interest, and will review and rank the proposals based on qualifications. A ranking will be created based on the final scores and released to respondents by Purchasing. Department will negotiate with the top ranked firm. If an agreement on the scope of services and compensation cannot be reached, negotiations with the first ranked firm are terminated and negotiations with the second ranked firm are opened.

Once the scope of services and compensation have been defined, the sponsoring department prepares an independent contractor agreement or non- standard agreement, which is submitted by the department to the Board for approval.

## CONTRACT PROCUREMENT POLICIES

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### 4.8 Architect/Engineer Services

#### a. Definition

Architectural, landscape architectural, engineering, environmental and land surveying services include those professional services of an architectural, engineering, environmental, or land surveying nature as well as incidental services that members of these professions and those in their employ may logically or justifiably perform (Government Code § 4525 (c)).

Construction project management means those services provided by a licensed architect, registered engineer or licensed general contractor for the management and supervision of work performed on construction projects. Any individual or firm proposing to provide construction management services must provide evidence that the individual or firm and its personnel carrying out onsite responsibilities have expertise and experience in construction project design review and evaluation, construction mobilization and supervision, bid evaluation, project scheduling, cost-benefit analysis, claims review and negotiation, and general management and administration of a construction project (Government Code § 4525 (e) and 4529.5)

Environmental services mean those services performed in connection with project development and permit processing to comply with federal and state environmental laws. Environmental services also include the processing and awarding of claims pursuant to Section 25299.10 of the State Health and Safety Code relating to underground storage tank cleanup (Government Code § 4525 (f)). Architect/engineering services may include: investigation; designs, plans and specifications; reports; opinions of probable costs and engineer's estimates; shop drawing review; supervision of construction; land surveying; and other related services when needed in support of an architectural or engineering project. These related services may include, but are not limited to, archaeology, geological and soils engineering, agronomy, limnology, biology, real estate appraisal and other property acquisition services.

Government Code Section 4256 and County Code Section 2.37.065 require that private architectural, engineering, environmental, land surveying or construction management firms be selected on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the required services. The three-tiered qualifications-based system described in Manual Section 4.8 (i) shall also be used to select architect/engineer firms.

## CONTRACT PROCUREMENT POLICIES

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b. Contract Criteria

Architect and engineering services contracts may be secured when one or more of the following conditions exist:

- 1) An urgent situation that cannot be resolved by County employees.
- 2) Temporary, intermittent, or irregular services that cannot effectively be performed by County employees.
- 3) Special or highly technical skills or services that cannot be secured through County employees.
- 4) A need for an independent opinion, appraisal, audit or similar service.
- 5) A lack of sufficient personnel to accomplish the work in the required time frame.

c. Length of Contract Term

If the architect/engineer services to be completed under a given contract relate to a specific project, the contract term may be based upon a reasonable estimate of the time required for the project.

d. Contract Adjustments/Increases

Any contract amendments that increase the total compensation payable under the contract to an amount greater than \$200,000 or more must be approved by the Board.

e. Incremental Contracting

To prevent incremental contracting, each consultant contract shall clearly specify the following:

- 1) Services to be performed.
- 2) Basis of pricing and payment.
- 3) Period of contract.
- 4) Monetary limit of contract.

Contracts shall not be split to avoid approval or procurement requirements.

f. Emergencies

For the purpose of architect and engineering services contracts, an emergency shall be defined as a sudden, generally unexpected occurrence or set of circumstances that demand immediate action and that if immediate action is not taken, essential services could not be continued or there could be an economic loss to the County.

g. Sole Source Requests

See Manual Section 3.4 for policies and procedures for sole source requests.

h. Approval Requirements

The Board has set up the following approval limits for Professional services and Consultants:

- 1) Up to and including \$200,000: Purchasing Agent Approval
- 2) Amounts greater than \$200,000: Board Approval

## CONTRACT PROCUREMENT POLICIES

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### i. Procurement

Procurement/selection procedures for architect and engineering services contracts are based on the Qualifications Based Selection (QBS) process used by many State and Federal Government agencies. The system used by the County consists of a 3-tiered approach with estimated fees used as the factor that determines the type of process to be used. The qualifications-based approach is essentially a process used to select architect and engineering services on the basis of qualification, subject to negotiation of fair and reasonable compensation.

The typical qualifications-based system consists of selecting the vendor believed to be best qualified to carry out the project then negotiating a fee for the services. If an agreement on the scope of services and compensation cannot be reached, negotiations with the first ranked firm are terminated, and negotiations are opened with the second ranked firm.

The procedures to be used in the selection of architect and engineering services may be modified with the approval of the County Administrative Officer or at the direction of the Board. Such procedure modifications shall only be authorized where specific qualifications or circumstances indicate that the procedures in effect are inconsistent with the most timely or efficient selection of the best qualified contractor. When the use of modified procedures is necessary, the initiating department shall note the reason for the procedural modification as part of the department contract file.

GSD will maintain a file of firms that have indicated an interest in providing services to the County and that have registered as a vendor through the County's vendor registration website. Purchasing will solicit the cooperation of local professional organizations and individuals to encourage participation by local firms on the list of consultants. In addition, in accordance with County Policy, minority owned business enterprises (MBE), women owned business enterprises (WBE) and disabled owned business enterprises (DBE) firms will be encouraged to apply.

County staff has delegated authority to enter into contracts for services using contracts with non-County standard terms in an amount not to exceed \$200,000 in annual aggregate value per department if the criteria noted in Section 4.0.1 is met.

Categories for the three - tiered selection process are:

#### **1) LEVEL ONE - Architect/Engineer services that have an estimated fee at or below \$50,000.**

The sponsoring department interested in obtaining consultant services reviews the vendor registration database and any other internally maintained vendor lists of firms and selects firms it feels are best qualified for the project. Typically, at least three (3) firms should be interviewed and the basis of selection of the desired firm shall be noted on the purchase requisition and/or supported by the requisition's attachments. After selecting an appropriate firm for the project, the sponsoring department negotiates a reasonable fee for the services and submits a purchase requisition for the services to Purchasing. The vendor must comply with the County's standard purchase order terms and conditions. If deemed in the County's best interests, departments may instead use standard independent contract agreement or non-standard agreement if the criteria noted in Section 4.0.1 has been met.

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**CONTRACT PROCUREMENT POLICIES**

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**2) LEVEL TWO - Architect/Engineer services that have an estimated fee of \$50,001 to \$200,000.**

The sponsoring department reviews the vendor registration database and any other internally maintained vendor lists of firms and invites a list of three to five firms to submit proposals. The sponsoring department evaluates the proposals, calls appropriate references and selects the firm it believes to be best qualified to complete the project. The department and first ranked firm negotiate an agreement on the scope of work, scheduling, completion date and compensation. If no agreement is reached, negotiations with the first ranked firm are terminated and negotiations with the second ranked firm are opened.

Once the negotiations have been completed, the sponsoring department prepares a standard fully executed standard independent contractor agreement or a fully executed non-standard agreement if the criteria noted in Section 4.0.1 has been met. Once complete, the department will submit a Purchasing Authority Contract to Purchasing.

**3) LEVEL THREE - Architect/Engineer services that have an estimated fee of \$200,001 and higher.**

Level Three projects require the formal solicitation process, which requires preparation of a solicitation. The solicitation will be advertised and all firms on an identified vendor lists for the applicable type of work will be notified and invited to submit proposals. A selection committee will be determined, vetted for conflicts of interest, and will review and rank the proposals based on qualifications. A ranking will be created based on the final scores and released to respondents by Purchasing. Department will negotiate with the top ranked firm. If an agreement on the scope of services and compensation cannot be reached, negotiations with the first ranked firm are terminated and negotiations with the second ranked firm are opened.

Once the scope of services and compensation have been defined, the sponsoring department prepares an independent contractor agreement or non- standard agreement, which is submitted by the department to the Board for approval.

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**CONTRACT PROCUREMENT POLICIES**

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**4.9 Housing for Health Vendor Pool Procurement****a. Definition**

The Human Services Department Housing for Health (H4H) Vendor Pool is a list of prequalified and pre-vetted vendors who provide services categorized under four predetermined categories of support specific to addressing homelessness, living unstably, and/or formerly homeless in Santa Cruz County. Contractors are selected on the basis of satisfying the qualifications set forth in a Request for Qualifications (RFQ) and are subject to the negotiation of a fair and reasonable compensation. The Vendor Pool is intended to improve the County's ability to respond more effectively to emergent and ongoing service needs through a consistent and defined qualification process, as well as to identify vendors best suited to support the County's homeless and housing efforts.

The four predetermined categories of support are:

- 1) Operations
- 2) Leasing & Rental Assistance
- 3) Consulting & Project Management
- 4) Supportive Services

The list of qualified vendors resulting from the Vendor Pool RFQ process may be referred to as the "Vendor Pool," and contracts resulting from that list may be referred to as "Vendor Pool contracts."

**b. Vendor Pool RFQ Management**

In accordance with County Purchasing Policy Section 3.1, The Vendor Pool RFQ is a nonbinding procurement process used to obtain statements of qualification to supply specific goods and services in an effort to mitigate homelessness in Santa Cruz County. The Vendor Pool will consist of groups of vendors who have met the qualifying requirements of the service category or categories listed in section (a), but the data needed to establish firm pricing for a specific service under a contract will not be established unless an express need and funding are identified, and a subsequent Vendor Pool selection process is completed.

The Vendor Pool was first established with the vendors that submitted their responses in an initial RFQ released by the General Services Department in cooperation with the Human Services Department.

In an effort to encourage ongoing vendor participation in the Pool, The Human Services Department will release an RFQ on an annual cycle beginning in January of 2024. Vendor submissions will be reviewed no more than quarterly based on the due dates

specified in the RFQ. New Vendors or existing vendors wishing to qualify under a service category or categories may submit their qualifications by completing the RFQ packet, and upon meeting the minimum qualifications specified in the RFQ, may be added to the vendor pool list.

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## CONTRACT PROCUREMENT POLICIES

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Responses must be received prior to due dates specified in the RFQ. Responses received after the due date will be reviewed during the next review cycle;

- 1) New responses during the qualification period will be reviewed/rated no more than quarterly by HSD CCU and a qualified Review Panel;
- 2) If qualifications have been met, vendors will be added to the qualified list of vendors at the discretion of the County.
- 3) Appropriate notice of approval/disqualification of all new vendors will be sent via email by HSD CCU.
- 4) In accordance with County Purchasing Policy Section 4.4(b), procurements should be reviewed for requalification and/or renegotiation not less than every four (4) years, unless approved by County Counsel, and CAO, or is in the County's best interest to do otherwise. Vendors qualified through the Vendor Pool process shall renew their qualifications at minimum at the same frequency.
- 5) HSD CCU will contact Active Vendor Pool Vendors via email approximately three (3) months prior to their qualification expiring with instructions for participation in the next RFQ cycle.
- 6) Vendor requalification packets will be reviewed/rated for approval to continue as a qualified Vendor Pool vendor, prior to their qualification expiring or within 30 days of receipt, whichever is later.
- 7) Vendors must comply with any additional documentation requirements by GSD Purchasing or Auditor Controller Treasurer Tax Collector to remain in good standing as an approved vendor, including but not limited to current W-9 or insurances.

c. Procurement

Procurement/selection procedures for the prequalified Vendor Pool are based on the County procurement process for "Expert Professional Services" as outlined in section 2.4 and include a Qualifications Based Selection process (QBS) used by many State and Federal Government agencies.

HSD will maintain a file of the qualified vendors that have indicated an interest in providing a service under specific categories. Vendors will maintain qualification in the Pool for up to three years and will only need to participate in the RFQ cycle in which their qualification expires, or for inclusion into new categories not previously qualified for.

Categories for the selection process are:

- 1) **OPERATIONS:** Shelter Operations and staffing, recuperative medical care. Services that have an estimated fee at or below \$3,000,000.
- 2) **LEASING & RENTAL ASSISTANCE:** Master lease of properties to be used for transitional and/or permanent housing; rental subsidies; building maintenance. Services that have an estimated fee at or below \$3,000,000.
- 3) **CONSULTING / PROJECT MANAGEMENT:** Technical assistance and/or capacity building; training; program development. Services that have an estimated fee at or below \$1,000,000.
- 4) **SUPPORTIVE SERVICES:** Activities related to helping individuals obtain/retain housing; client outreach; family reunification. Services that have an estimated fee at or below \$1,000,000.

All Vendor Pool contracts will require a fully signed and completed Project Request Form and fully executed agreement.

## CONTRACT PROCUREMENT POLICIES

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HSD CCU shall provide procurement guidance to the H4H Division Director or authorized designee on the recommended procurement method to be used based on H4H's submission of a Project Request Form. Recommendations will be made based on contract type and vendor qualification with consideration to traditional County contract term standards and/or best practices for procurement.

- 1) Vendor Uniquely Qualified: Proposed vendor identified from prequalified Vendor Pool list, and one or more of the following justifications for selection of that vendor as a sole source:
  - i. Description of why Vendor is uniquely qualified,
  - ii. Existing vendor relationship that would require duplication of effort at County expense to replace,
  - iii. Compatibility or warranty on existing equipment or location
  - iv. Only available from one source

Any sole source not found to be adequately justified will follow the process outlined below:

- 2) Procurement Required: Request for additional information or proposal(s) from Vendor Pool Vendors in a specific service category, in accordance with the submitted draft Scope of Work. Procurement process will be as follows:
    - i. All prequalified and categorically appropriate vendors are invited to provide proposals and/or quotes based on the Scope of Work provided. Response format and due date will be outlined in the initial request.
    - ii. Vendors who respond to the request will be sent a confirmation of receipt and an anticipated date of vendor award.
    - iii. Once the proposal submittal date has passed, HSD CCU staff will review submittals:
      - a) If less than three responses are received, the responses will be reviewed internally, and the most qualified vendor awarded.
      - b) If three or more responses are received, a Review Panel will be convened to review and rank proposals or quotes to determine the most qualified vendor to award. All panelists must sign a conflict-of-interest form.
    - iv. A Vendor Ranking Form will be completed to outline the justification for the vendor selection.
    - v. Once completed, a notice of approval/rejection will be sent to all respondents via email.
    - vi. The Vendor Pool Project Request Form and Vendor Ranking Form will be signed by the HSD CCU Administrative Services Manager or other authorized approver. A fully executed agreement must be created. Purchasing will review the final documentation in the approval workflow once documentation is entered into the Contracts Module to ensure that procurement guidelines have been satisfied.
- d. Contract Criteria
- Vendor Pool contracts may be secured when one or more of the following conditions exist:
1. Vendor has been pre-qualified through a nonbinding procurement process used to obtain statements of qualifications, willingness, and capacity to supply specific goods and or services related to homelessness.
  2. Vendor selection has included additional competitive action prior to award to a specific vendor or vendors.
  3. Vendor Pool Categorical Sole Source

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**CONTRACT PROCUREMENT POLICIES**

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Specific procedures for use of the Vendor Pool are developed and maintained by the Human Services Department Centralized Contracts Unit (CCU) with programmatic oversight by the General Services Department Purchasing Division and the Auditor-Controller's Office.

e. Length of Term

The length of a contract term shall be determined on the basis of the best economic benefit to the County with consideration to traditional County contract term standards and/or best practices. Contracts utilizing the Vendor Pool may be included on the County's Continuing Agreements List through the annual budget process. Policies and Procedures for the Continuing Agreements List may be found under County Procedures Manual Title 1, Section 300.I. All contract terms shall be dependent on Project/Scope of Work needs and are independent of and/or not reflective of the Vendor Pool qualification duration.

Vendors with an active Vendor Pool contract will need to requalify as an approved Vendor Pool vendor at the end of their three-year qualification period unless a Board authorized extension to four years has been granted. Vendors who do not requalify as required may have their associated contract terminated and shall be removed from the Vendor Pool.

f. Contract adjustments/Increases

Contracts sourced from the Vendor Pool may include negotiated budget allowances (such as but not limited to: built in cost-of-living escalators or periodic rate changes) comparable to traditional County contract term standards and/or best practices. Amendments that increase the total contracted amount over categorical threshold limits listed below must be approved by the Board of Supervisors.

g. Approval Requirements

The Board has set the following approval limits for Vendor Pool Categories:

- 1) Up to \$3,000,000 for Operations
- 2) Up to \$3,000,000 for Leasing & Rental Assistance
- 3) Up to \$1,000,000 for Consulting & Project Management
- 4) Up to \$1,000,000 for Supportive Services

h. Contract Development and Board Reports

- 1) Agreements stemming from the Vendor Pool process will have a unique County contract number, identified by an "M" (e.g.: 24M1234)
  - 2) HSD will follow standard County processes and best practices to negotiate and execute an agreement, including review and signature from all required parties.
  - 3) Contracts executed under the Vendor Pool Categories will be brought to the Board of Supervisors, as soon as practicable, for ratification.
  - 4) Board reports will include, but are not limited to awarded contracts (vendor, contract period, amount, purpose, number of people served if relevant, and outcomes), and procurement documentation as applicable.
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**CONTRACT PROCUREMENT POLICIES**

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**4.10 Public Projects****a. Definition**

Public project contracts include contracts for:

- 1) Construction, alteration, demolition, installation or repair work done under contract in whole or in part out of public funds. Construction can include work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction.
- 2) Work in or about streams, bays, waterfronts, embankments, or other work for protection against overflow, except maintenance, repair or reconstruction work.
- 3) Supplies and materials used in maintenance, repair or reconstruction work in or about streams, bays, waterfronts, embankments, or other maintenance, repair or reconstruction work for protection against overflow.

**b. Length of Contract Term**

The length of a contract term for public projects shall be determined by the length of time required to complete the project. The length of contract term is determined by the County and prescribed in the bid based upon a reasonable estimate of the required time for completion and accepted by the contractor in the submittal of its bid.

**c. Adjustments to Contract Amount (Change Orders)**

Changes may be made to the contract without Board approval within the following limitations:

- 1) Appropriated funds and/or contingencies are available to cover the cost of the change;
- 2) Neither the net sum of any individual change nor the sum of all changes in the aggregate increase the total contract amount by more than \$5,000 when the total amount of the original contract does not exceed \$50,000, nor 10% of the amount of any original contract that exceeds \$50,000, but does not exceed \$250,000 as specified in Public Contract Code Section 20142 (a) (\$25,000) and as may be adjusted from time to time;
- 3) For contracts whose original cost exceeds \$250,000, the extra cost for any change or addition to work shall not exceed \$25,000, plus 5% of the amount of the original contract cost in excess of \$250,000, provided that in no event shall any such change or alteration exceed \$210,000, as specified in Public Contract Code Section 20142 (b); and
- 4) The Purchasing Agent, or authorized designee, and/or in the case of contracts for Community Development and Infrastructure, the Director of Community Development and Infrastructure, or authorized designee, considers the change to be reasonable.

**d. Emergencies**

In the case of an emergency, pursuant to a four-fifths vote of the Board, the County may order repairs and/or replacement of County facilities, take any action required by the emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts. In these instances, the County shall comply with Public Contract Code Section 22050.

**e. Board Approval Required**

In addition to approving any change orders in excess of the limits set forth in Manual Section 4.10(c), Board approval is required for all public project contracts of \$200,000 or more.

## CONTRACT PROCUREMENT POLICIES

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- f. Notice of Completion  
Upon completion of the project, the department shall submit a request to the Board for approval and execution of the Notice of Completion of the project.
- g. Procurement  
The bid process for public projects contracts shall be structured to provide an opportunity for all interested contractors to participate in bid competition to obtain the best use of public funds while taking into account administration logistics, including project size, project time frames, and project cost.

The County, in accordance with Public Contract Code Section 22032, shall formally advertise public works projects valued at \$200,000 and more. In addition, these projects are advertised in various Building Exchanges to expand the bid opportunities. Supplier selection is then based solely upon bid results.

For public works contracts that do not require Board approval, GSD or the Community Development and Infrastructure Department shall establish and maintain an active Potential Bidders List that will be open to all interested and potential qualified bidders. All contractors on the list for the category of work being bid shall be mailed, faxed or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors shall be completed not less than 10 calendar days before bids are due OR the County may elect to mail, fax or email a notice inviting informal bids to all construction trade journals.

Procurement and bidding procedures for public projects are described in detail in Manual Sections 10 and 11.

## DEPARTMENTAL PROCEDURES

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### 5.0 DEPARTMENTAL PROCEDURES

County departments have important responsibilities in the procurement of goods and services. This section of the manual outlines some of those responsibilities, policies, and procedures to assist departments in their purchasing activities. Departments are encouraged to utilize the resources of Purchasing for assistance in the matters described below. Refer to Manual Section 14 for requirements for Federal awards per 2 CFR Part 200 Subpart A.

#### 5.1 Requisitioning Process

a. Departmental Responsibilities

Departments shall contact Purchasing early in the purchasing process to benefit from advice and assistance on specifications, sources of supplies, price advantages, substitutions, and a determination of each department's precise needs. Further, departments are responsible for:

- 1) Determining that sufficient funds are available to pay for requested goods and services. Purchasing will contact the department prior to placing an order if the actual costs exceed the department's written estimate.
- 2) Ensuring that requested items/services are necessary to operations and are used for their stated purpose.
- 3) Ensuring that requisitions and purchase orders are completed and processed for payment satisfactorily.
- 4) Ensuring that current required automobile, liability and workers' compensation insurance documentation is on file in the department for the chosen service vendor.
- 5) Ensuring that Purchasing is informed of annual requirements in a form and manner as requested by Purchasing.

b. Departmental Contact with Suppliers

Departments that contact suppliers to gather operational or budgetary information shall inform the suppliers that the information requested is for planning purposes only and is not a request for quotations.

c. Signature Authority

All requisitions sent to Purchasing must be approved by an authorized departmental signatory. Fixed asset requisitions must be approved by the County Administrative Office.

d. Specifications

Departments must develop specifications that are nonrestrictive and provide samples that clearly describe the item(s) needed in terms of performance. If a purchase requisition specifies a brand name or model, Purchasing will assume that "equal" items are acceptable. Purchasing and the requesting department will jointly determine "equal" items.

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**DEPARTMENTAL PROCEDURES**

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If a department determines that only a specific make and model will meet its needs, the department shall complete the Sole Source/Sole Brand Justification form that details the unique features of the sole source item and states why these features are required. If other brands and models have been tested or used previously, the department shall specify the brands and models used, and why they are unacceptable. Similarly, prior unsatisfactory performance may be used for future source evaluations.

The Purchasing Agent or designee may return the requisition for additional justification if a specific item appears to be unreasonably restrictive or inappropriate.

e. **Record Retention**

All requisitions and related procurement documents shall be retained for a period of not less than three years unless law prescribes a longer period.

f. **Requisitions Requiring Special Approval**

Requests for the following items must be approved by the department listed below before forwarding requisitions to Purchasing:

**Items/Services****Approving Department**

Fixed Assets

County Administrative Office

Data Processing/Computer equipment

Information Services Dept.

Cellular Phones

Information Services Dept (Telecom)

Printing/Duplicating

Information Services Dept (Duplicating)

Radios/systems/related equipment

Information Services Dept (Radio Shop)

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**DEPARTMENTAL PROCEDURES**

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**5.2 Procurement****a. Commodities Purchases to \$5,000**

Departments are authorized to make purchases for commodities up to \$5,000, unless the items are regularly stocked at the County Warehouse or are covered under master supply agreements.

Departments may use the following three options to purchase commodities at this level:

- 1) Submit a requisition to Purchasing, with supporting documentation. Departments should seek at least two quotes unless it is otherwise in the best interests of the County. One quote is acceptable, two quotes are preferred. Purchasing will review the requisition for approval and establish a purchase order as appropriate. The department may request a blanket purchase order if multiple purchases, for the same or similar types of items, from the same vendor are anticipated during the fiscal year.
- 2) Use a County procurement card (CAL-Card) subject to the cardholder's purchase limit, commodity authorization, and the prohibited and restricted CAL-Card purchases detailed in Manual Section 9.5.
- 3) Use personal funds for small, unanticipated purchases and request petty cash reimbursement as detailed in Manual Section 5.4.

**b. Services Purchases to \$5,000**

Departments are authorized to make purchases for services up to \$5,000 unless the services are covered under master services agreements. However, departures from the standard insurance requirements must be approved by the Risk Manager (County Procedures Manual Title I, Section 300 D). Departments are authorized to select a service provider at this level by submitting a requisition to Purchasing. Purchasing will review the requisition for approval and establish a purchase order for the service as appropriate. If multiple payments are anticipated, Purchasing may establish a blanket purchase order for the service. Departments are encouraged to seek assistance from Purchasing to identify potential service providers as necessary. One quote is acceptable, two quotes are preferred.

**c. Commodities Purchases Between \$5,001 and \$20,000**

Departments are authorized to seek suppliers at this level. Departments should seek three (3) quotes for the commodity, complete a GSD-89 form or equivalent comparison, create a requisition and submit the GSD-89, quotes and other applicable documentation to Purchasing. If three quotes are not provided, Departments must submit written explanation to Purchasing as to why this was not done and why it is not in the County's best interest to do so. A Sole Source Justification form can be submitted as appropriate. Purchasing will review the requisition for approval and establish a purchase order as appropriate.

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**DEPARTMENTAL PROCEDURES**

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**d. Services Purchases Between \$5,001 and \$20,000**

Departments are authorized to seek service providers and negotiate service agreements at this level. However, departures from the standard insurance requirements must be approved by the Risk Manager (County Procedures Manual Title I, Section 300, D). Departments must submit a requisition to Purchasing. Departments should seek at least three (3) quotes for the service, complete a GSD-89 form or equivalent comparison, create a requisition and attach appropriate documentation to be reviewed by Purchasing. Purchasing will review the requisition for approval and establish a purchase order as appropriate. Departments must maintain documentation of the service provider's insurance coverage. If multiple payments are anticipated, Purchasing may establish a blanket purchase order for services. Departments are encouraged to seek assistance from Purchasing to identify potential service providers as necessary.

**e. Commodities Purchases Between \$20,001 and \$50,000**

Upon approval by Purchasing, departments may submit requisitions with required specifications to Purchasing. Requests at this level should include written quotations from at least three sources or written justification as to why an alternative method is in the County's best interests. Purchasing will review the requisition and documentation for approval and establish a purchase order or a blanket purchase order for commodity purchases at this level.

**f. Services Purchases Between \$20,001 and \$200,000**

Departments are authorized to seek quotes at this level, but may request assistance from Purchasing as appropriate. Purchasing will evaluate quotations and procurement process and approve as deemed appropriate. In the absence of a firm recommendation from the department, Purchasing may seek at least three written quotations from qualified providers. In addition, departures from the standard insurance requirements must be approved by the Risk Manager. (County Procedures Manual Title I, Section 300, D) Purchasing will review requisition for approval and establish a purchase order, or if multiple payments are anticipated, a blanket purchase order as appropriate. Use of a fully executed standard County Independent Contractor Agreement template previously approved by the Board or non-standard agreement that has met the criteria noted in Section 4.0.1 is required for services exceeding \$50,000, however, an agreement may be used for services at any level. Any service request with an agreement must be placed in the Contracts Module.

**g. Commodities Purchases of \$50,001 and Above**

Departments must submit requisitions with specifications to Purchasing for purchase of commodities at this level. Purchasing will advertise for prospective vendors at this level, unless it is in the County's best interests to seek providers through other means. Purchasing will seek formal written quotes from at least three sources or provide written justification as to why an alternative method is in the County's best interests.

**h. Services Purchases of \$200,001 and Above**

Departments must obtain Board approval when implementing services contracts at this level. See Manual Sections 4.6, 4.8 and 4.9 for more information.

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## DEPARTMENTAL PROCEDURES

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**i. Use of a standard Independent Contractor Agreement (ICA) or non-standard agreement that has met the criteria noted in Section 4.0.1.**

An Independent Contractor Agreement (ICA) may be used for services under \$50,000 and must be used for services over \$50,000. An ICA may contain complex terms and conditions, specifications, or a negotiated variance in the County's liability and/or workers' compensation insurance limits. Departments must submit the ICA to County Counsel for approval as to form and content and to Risk Management for approval of insurance requirements. The Risk Manager must approve any departures from the standard insurance requirements. (County Procedures Manual Title I, Section 300, D). Departments must submit the agreement in the FE contracts module with the signed ICA to Purchasing as supporting documentation.

### 5.3 Emergency Purchase Orders

Emergency purchase orders may be issued when unforeseen circumstances require an immediate purchase to avoid a substantial hazard to life or property or serious interruption of the operation of a County department, or the necessary repair of County equipment or heavy equipment required for the operation of a County department.

If an emergency situation arises during normal County business hours, departments must obtain an emergency requisition reserve number ("R"/ "E" Number) from Purchasing prior to making an emergency purchase. After Purchasing issues an emergency number, the department may proceed to procure the commodities or services required. The Department must obtain proper insurance documentation for workers' compensation, general liability, and professional liability coverage in the amounts specified by Risk Management. Proof of insurance should be obtained prior to the start of work if possible. It is recommended that departments utilize vendors who have previously provided services to the County as record of their insurances is likely to be on file with GSD or the department. As soon as the invoice is received, the department should prepare a requisition and forward supporting documentation to Purchasing if total cost is within Purchasing's procurement levels (see Manual Sections 5.2; 5.4; and 5.6). Reference the emergency number on the requisition. To the extent it is prudent and possible, the department shall obtain a signed ICA from the contractor before payment is made. If an agreement or ICA is used, the emergency number must be paid via the Contracts Module. For emergency transactions over \$200,000, the department shall seek confirmation and approval from the Board as soon as possible.

If an emergency situation arises after normal County business hours, a Department Head may authorize an immediate purchase of commodities or services if necessary. The department shall advise Purchasing of any emergency purchases as soon as reasonable after the commitment. Purchasing will then issue an emergency number. The Department must obtain proper insurance documentation for workers' compensation, general liability, and professional liability coverage in the amounts specified by Risk Management. Proof of insurance should be obtained prior to the start of work if possible. It is recommended that departments utilize vendors who have previously provided services to the County as record of their insurances is likely to be on file with GSD or the department. As soon as possible, the department should forward supporting documentation to Purchasing if total cost is within Purchasing's procurement levels (see Manual Sections 5.2; 5.4; and 5.6). Reference the emergency number on the requisition. For all emergency transactions over \$200,000, the department must seek confirmation and approval from the Board as soon as possible. In the case of an ongoing declared disaster (storm, fire, flood, etc), Purchasing may issue "E" Numbers using the same process as described above.

## DEPARTMENTAL PROCEDURES

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An “E” number is an emergency number directly tied to a declared disaster, and will be tracked as part of the disaster in order to keep the costs of an emergency event separate from one-time emergencies (“R” number). When requesting payment for an “E” number, also include the name of the emergency event on the requisition.

Any emergency services with agreements shall be submitted in the FE Contracts module for review and approval using the Emergency agreement type (PR.EMERG).

### 5.4 Petty Cash

Petty cash is available to reimburse employees for personal funds expended, or to pay suppliers directly, for products or services valued at less than \$200 pursuant to Board Resolution 47295.

Employees are normally reimbursed from the Auditor-Controller’s petty cash account upon presentation of a properly approved petty cash form and associated original cash sales receipts. Department heads or designees authorized to approve petty cash purchases may approve petty cash forms. Sales receipts must have the supplier’s printed name and address and the date of the sale. The employee shall sign the sales receipt to signify receipt of the product or service.

The detailed Petty Cash procedure is provided in the County Policies and Procedures Title I – Section 110.

### 5.5 Administration of Orders

#### a. Receiving

Departments shall provide for the receiving, inspection and acceptance or rejection of merchandise delivered, and services performed. Departments should assign the responsibility for receiving and inspecting shipments to specific individuals, preferably someone other than the person who approved the requisition. Departments are responsible for ensuring that commodities delivered, and services performed conform to the order specifications as applicable. Assigned staff must inspect merchandise received in a timely manner so that problems, if any, may be identified and more easily resolved. Generally, merchandise should be inspected within three business days of receipt. During inspection, assigned staff shall complete the receiving copy of the order noting the date of delivery, quantities delivered, or services performed, and any discrepancies in terms of condition, quantity or conformance to order specifications.

Purchasing should be immediately notified of any discrepancies or damage to enable Purchasing to obtain necessary return authorization or seek other remedial action with the vendor. If required Material Safety Data Sheet (MSDS) information is not received with the delivery, the department should contact Purchasing for assistance. Departments should ensure that the Auditor-Controller is promptly forwarded a payment authorization for accepted merchandise or services to take advantage of any discounts to which the County is entitled.

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**DEPARTMENTAL PROCEDURES**

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**b. Quality Control Assistance**

Departments may generally seek quality control assistance from Purchasing and shall contact Purchasing when:

- 1) A department questions whether an item received meets order specifications. If necessary, Purchasing will arrange to inspect the item in question.
- 2) Item(s) received and placed in service is not performing as expected or as represented by the seller.
- 3) A department receives poor service or experiences other problems after an item is received.

**c. Materials Expediting**

If a supplier is late meeting specified delivery dates, the department should contact the buyer responsible for the purchase order or contract. The buyer will contact the supplier on the department's behalf and will continue to monitor the supplier's progress until the order is complete. The buyer will keep the user department advised of efforts to enforce the terms and conditions of the respective purchase order and the current status of these transactions.

**d. Manufacturer's Warranties**

Many items of equipment purchased by departments carry a manufacturer's warranty of acceptable materials and workmanship. All departments shall register and maintain proper records of such warranties to ensure that the manufacturer repairs defects covered by the warranty.

**e. Energy Conservation**

Prior to the purchase of all new equipment, except in the case of an emergency, the Purchasing Agent or any other county officer or employee authorized to purchase such equipment shall evaluate and consider the energy consumption level and the anticipated operating costs over the useful life of the new equipment in addition to the initial cost of the equipment.

**f. Special Receiving Assistance**

Because of their technical nature, receipt of the following items should be made by, or shall be coordinated with, the indicated organizations:

Vehicles – GSD Fleet/Community Development and Infrastructure Fleet

Telecommunications Equipment – Information Services Department (Telecom)

Data Processing/Computer Equipment – Information Services

- g. A Material Safety Data Sheet (MSDS) must accompany all hazardous materials ordered and received by a department. If the department does not receive a MSDS, the department must contact the supplier and request two copies (one for the County Safety Officer and one for the department) before approving the invoice for payment. Every department is responsible for maintaining a complete file of all hazardous materials that must be filed by the name of the chemical and be made available in a central location to anyone needing the information.**

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**DEPARTMENTAL PROCEDURES**

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**5.6 Vehicles****a. Vehicle Registration and Licensing**

GSD is responsible for the administrative aspects of all registration and licensing of County owned and leased vehicles in the general County fleet. The Community Development and Infrastructure Department has this responsibility for vehicles in its fleet.

**b. Gas Credit Cards**

Fuel purchases are to be made from the County provided service stations unless departments are operating a vehicle outside of the area. Departments requiring gas credit cards should contact GSD's Fleet Services Division.

**5.7 Terms and Conditions-Purchase Order**

- a. Purchasing will review the purchase order terms and conditions and update as needed. The current version of the terms and conditions will be posted on the GSD Internet Page <https://www.co.santa-cruz.ca.us/Departments/GeneralServices/Purchasing.aspx>.

## CENTRAL STORES - WAREHOUSE

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### 6.0 CENTRAL STORES – WAREHOUSE

This unit of the GSD's Facilities Division maintains a wide variety of consumable supplies, and some office supply and equipment items commonly used by County departments. It assists Purchasing in the transfer, sale or other disposition of personal property items that are surplus to County needs. In addition, the Warehouse provides a limited amount of moving, repair, and special warehousing services. Warehouse staff also maintains the County's Records Retention Center.

#### 6.1 Warehouse Supply Functions

- a. In coordination with Purchasing, the Warehouse maintains an inventory of consumable supplies ranging from automotive and food items to maintenance, custodial, and some office paper items.
- b. Regular stock items are purchased in bulk and dispensed as required by departments and agencies.
- c. Items selected for inclusion in regular Warehouse stock are determined based on: annual usage rates; required lead times and market conditions; availability of quantity discounts; majority concurrence between users as to satisfactory product standards and other factors.

#### 6.2 Warehouse Requisition/Order Process

- a. Catalog(s) listing regularly stocked items are available in the Warehouse upon request. Where standard packaging information is shown in the catalog (i.e., 6 gal/case), items must be requested in multiples thereof.
- b. Requests for regular Warehouse catalog items shall be made on Warehouse requisitions (GSD-63), unless Purchasing and/or the Warehouse has authorized the use of traveling requisitions (PUR-3TR). Warehouse requisitions should be double-spaced typed for each item. Items should be listed in numerical order by Warehouse stock number and provide a description of the item. Every effort will be made to maintain adequate stock of regular catalog items; however, it may be necessary to back-order some items pending receipt of new stock.
- c. Departments will be permitted to pick up needed emergency items at the Warehouse only when accompanied with an authorized Warehouse requisition, or when preauthorization has been received.
- d. Departmental staff must check all items against delivery tags in presence of the Warehouse driver or the Warehouse person issuing an emergency pick-up order. Any shortages or damages of delivered goods are to be reported to Warehouse staff, and a notation made on the delivery tag.
- e. When damaged goods or the wrong item is ordered or received, departmental staff must contact the Warehouse immediately.
- f. Warehouse stock requisitions are due Friday for delivery the following Wednesday. The Warehouse will notify departments of out-of-stock or backorder items.
- g. Departments are billed monthly for items delivered from the Warehouse during the preceding month.

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**CENTRAL STORES - WAREHOUSE**

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**6.3 Warehouse Records Retention Program**

In addition to supply and storage activities, the Warehouse maintains a County Records Retention Center. The principal purpose of the Center is to provide temporary storage of low use files and other records until they can be destroyed. Departments should reference County Procedures Manual Title IV – Records Management to establish their records management programs. Also refer to the Paperwork Management Handbook - Records Disposition, available on the Warehouse intranet page, for additional information.

**6.4 Sale of Surplus Property**

Manual Section 7.0 provides policies for the disposal of surplus items. Surplus items have been determined to be of no value to the County. Many surplus items are available at no charge and all other items are for sale at reasonable prices.

Surplus items are offered by the County's Reuse/Recycle Program at the Warehouse. See Manual Section 7.5.1 for non-profit organizations' access to County surplus computer equipment.

**6.5 Disposal of Hazardous Materials**

Warehouse staff will pick up and dispose of the following universal waste items: common batteries, fluorescent tubes and other mercury containing lamps, all electronic devices, and all non-empty aerosol cans containing hazardous materials.

Procedure: Carefully wrap and label items as universal waste. Pack the items and identify the contents of each package. Notify the Warehouse to pick up the package for proper disposal.

## DISPOSAL OF SURPLUS PERSONAL PROPERTY

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### 7.0 DISPOSAL OF SURPLUS PERSONAL PROPERTY

GSD is responsible for preparing and distributing procedures to help ensure the maximum utilization of surplus personal property. Although GSD will periodically survey departments for surplus personal property, departments should notify GSD whenever such property is available so that it may be evaluated for use by another department. GSD will determine whether the property is required by another department or whether the item should be stored, transferred, or disposed.

Personal property with an estimated value of \$5,000 or less, as determined by either the Purchasing Agent or the Purchasing Manager and the using department, may be declared surplus to County needs by the using department with the concurrence of the Purchasing Agent. Personal property with an estimated value of \$5,001 or more may be declared surplus by the Board.

The Purchasing Agent is authorized to sell, trade (subject to the limitations under Manual Section 7.1), or otherwise dispose of surplus personal property by whichever method and procedure, in his/her judgment, returns the greatest value to the County.

### 7.1 Trade-In Allowance on Purchase of Personal Property

When purchasing personal property that does not require advertising for bids, the Purchasing Agent is authorized to solicit and accept advantageous trade-in allowances for County personal property with a scrap value of less than \$10,000 that has previously been determined by the Purchasing Agent or the Board to be of no further public use (Government Code Section 25503).

When purchasing personal property valued at \$10,001 or more, the Purchasing Agent may include in the solicitation a request for offers of trade-in allowances on property previously declared surplus by the Board. Any trade-in offers received will be considered in the evaluation process.

### 7.2 Disposition of Proceeds

The proceeds of surplus personal property dispositions shall be deposited into the County treasury for use of the County or applicable Special District (Government Code Section 25504). Where the property is exchanged or traded-in, the Purchasing Agent shall secure its value on behalf of the County.

### 7.3 Prohibition Against Purchase by Employees

Any officer, agent or employee of the County assigned to the purchasing function, or responsible for surplus declarations, or having privileged information regarding the personal property or the value thereof that is not available to all prospective bidders, or assigned to the organization having custody of the surplus property shall not directly or indirectly submit a bid or purchase surplus personal property. This policy shall be liberally construed to prohibit any appearance of impropriety and County Counsel should be consulted for an opinion whenever there is a question of probable conflict. The sale of surplus personal property (materials, supplies, machinery, furnishing, equipment and any other tangible article) to County employees must be expressly authorized by either the Purchasing Agent or their authorized designee.

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## DISPOSAL OF SURPLUS PERSONAL PROPERTY

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### 7.4 Transfer of Personal Property

The Purchasing Agent is authorized to transfer between concurring departments any personal property with an estimated value of \$5,000 or less. Transfer of personal property with an estimated value of more than \$5,000 must be approved by the Board.

### 7.5 Donations

The Purchasing Agent may donate surplus personal property with an estimated value of \$5,000 or less, if, in his/her judgment, donating the property is in the County's best interests.

The Board may direct the Purchasing Agent to coordinate the donation of surplus personal property with an estimated value of more than \$5,000.

#### 7.5.1 Surplus Personal Computer (PC) Systems

- a. Department process: Surplus reusable PC equipment including the monitor, CPU, keyboard, transferable operating system software and printer may be donated to local public schools and qualified local non-profit organizations. The department should contact either the Information Services Department (ISD) or the department's information services division (as applicable) to evaluate the PC equipment and determine whether any other County department(s) could utilize the PC equipment. If no further use is identified, either ISD or the department's information services division shall prepare the PC equipment for local public school or non-profit use. Preparation of the PC equipment shall include, but is not limited to, reformatting and erasing all County data from the hard drives or resetting the systems to the original equipment manufacturer configuration. Software licenses may also be transferred using this process.
- b. Release of PC Equipment: The department is responsible for electronically submitting the description and asset numbers of the PC equipment proposed for donation to ISD for review. ISD will approve the release of the PC equipment for pick up by Warehouse staff. Warehouse staff will post the description and asset numbers of available PC equipment on the Warehouse website. Surplus PC equipment will not be maintained or warranted by the County.
- c. Notification: Public schools and qualified non-profit organizations should be encouraged to visit the County Warehouse Surplus Sales website periodically for available PC equipment. Warehouse staff will maintain contact information of interested public schools and qualified non-profit organizations for notification when PC equipment becomes available. Interested qualifying organizations should refer to the Warehouse website for more information or contact the Warehouse at the telephone number indicated. At time of acceptance, agencies receiving donated PC equipment must provide proof of their qualifying status to Warehouse staff.

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## DISPOSAL OF SURPLUS PERSONAL PROPERTY

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### 7.6 Disposal of Electronic Products

On January 15, 2002, the Board approved an Electronic Product Waste Acceptance Policy, which classifies most non-functional and obsolete computer equipment as “E- waste” which is no longer accepted in our County landfill sites. The County has negotiated contracts with vendors to dispose of computer equipment through a process that includes the reuse of products and components where possible, the extraction and recycling of metals and glass, and the final disposal of unusable parts that is environmentally conscious.

It is highly recommended that a department wanting to dispose of unwanted computer equipment consult with ISD staff to evaluate the condition, value and the functionality of the equipment prior to disposal. The highest priority would be to recycle the piece of equipment intact for use by others, the next priority would be to salvage any expensive, usable parts for County use and finally to dispose of the equipment in an environmentally conscious way.

### 7.7 Disposal of Copy Machine Hard Drives

Copy machines may contain hard drives that capture all images photocopied on the machines. Prior to disposing of a copy machine, the department must obtain either a certification of cleansing or the actual physical hard drive from the machine to dispose of any confidential materials that may be present on the hard drive. Contact Purchasing for options on obtaining or cleaning the hard drive.

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**PURCHASING PREFERENCES**

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**8.0 PURCHASING PREFERENCES****8.1 Purchase of Recycled Products**

The Purchasing Agent shall establish and maintain procedures and specifications to ensure that the County gives preference in its purchasing decisions to products containing the maximum amount of recycled materials, where the quality and fitness of such products is equal to those of products containing no, or lesser, amounts of recycled materials, and where the total cost of such products is reasonable in comparison to the total cost of those products containing no, or lesser, amounts of recycled materials. The Purchasing Agent shall also provide a preference to the suppliers of products containing recycled materials, which is equal to 10% of the lowest bid or price quoted by suppliers offering products not containing recycled materials.

**a. Definitions**

- 1) "Recycled product" means all materials, goods, and supplies, excluding paper products, no less than 50% of the total weight of which consists of secondary and postconsumer material with not less than 10% of its total weight consisting of postconsumer material. A recycled product shall include any product that could have been disposed of as solid waste having completed its life cycle as a consumer item, but otherwise is refurbished for reuse without substantial alteration of its form. "Recycled product" also means other flat rolled steel products no less than 25% of the total weight of which consists of secondary and postconsumer material, with no less than 10% of total weight consisting of postconsumer material. Products made with flat rolled steel include, but are not limited to, automobiles, cans, appliances, and office furniture and supplies. (Public Contract Code § 12301d). "Postconsumer material" means a finished material that would have been disposed of as a solid waste, having completed its life cycle as a consumer item, and does not include manufacturing wastes. "Secondary material" means fragments of finished products or finished products of a manufacturing process, which has converted a resource into a commodity of real economic value, and includes postconsumer material, but does not include excess virgin resources of the manufacturing process.
- 2) "Recycled paper product" means all paper and wood pulp products containing postconsumer and secondary materials. "Postconsumer material" means a finished material that would normally be disposed of as a solid waste, having completed its life cycle as a consumer item. "Secondary material" means fragments of finished products or finished products of a manufacturing process, which has converted a virgin resource into a commodity of real economic value, and includes postconsumer material, but does not include fibrous waste generated during the manufacturing process, such as fibers recovered from wastewater or trimmings of paper machine rolls (mill broke), wood slabs, chips, sawdust, or other wood residue from a manufacturing process. "Recycled paper product" also means a paper product with not less than 50%, by fiber weight, consisting of secondary and postconsumer material with not less than 10% of fiber weight consisting of postconsumer material. For high speed copier paper, offset paper, forms bond, computer printout paper, carbonless paper, file folders, white wove envelopes, and for other uncoated printing and writing papers, such as writing and office paper, book paper, cotton fiber paper containing 25 to 75% cotton fiber, and cover stock, the minimum content standard shall be no less than 30 % of fiber weight of postconsumer materials. (Public Contract Code § 12301c)

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**PURCHASING PREFERENCES**

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**b. Purchase Requisitions and Product Specifications**

Purchase requisitions and product specifications prepared by departments shall conform to the following guidelines:

1. Product specifications and requisitions shall not indiscriminately require the use of product made from virgin materials, nor indiscriminately exclude the use of recycled-content products.
2. Performance standards shall be reasonable and related to function and shall not be designed to indiscriminately exclude the purchase of recycled-content product.
3. To the extent such information is known, departments shall identify to Purchasing during the requisition process products available with recycled content and the names of suppliers that sell such products.

**c. Selected Environmental Products**

Purchasing shall evaluate the following environmentally preferable products and purchase them whenever the evaluation is favorable:

- 1) Recycled paper and paper products
- 2) Re-refined lubricating and hydraulic oils;
- 3) Recycled plastic outdoor-wood substitutes
- 4) Re-crushed cement concrete aggregate and asphalt
- 5) Cement and asphalt concrete containing glass cullet, recycled fiber, plastic, tire rubber or fly ash;
- 6) Remanufactured tires and products made from recycled tire rubber;
- 7) Compost;
- 8) Remanufactured paint;
- 9) Cleaning products with lowered toxicity as described in the Integrated Pest Management program;
- 10) Energy saving products;
- 11) Waste-reduced products;
- 12) Water-saving products;
- 13) Other products designated by the Purchasing Agent which promote energy conservation;
- 14) Environmental protection.

**d. Exemption**

Nothing in this policy shall be construed as requiring the purchase of products that do not perform adequately or are not available at a reasonable price.

**8.2 Purchase of Domestically Produced and Packaged Vegetables**

The Purchasing Agent shall establish and maintain procedures and specifications to ensure that the County gives a preference to vegetables produced and packaged within the United States which is equal to 10% of the lowest price quoted by suppliers for vegetables not produced in the United States. (County Code Section 2.37.106)

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## PURCHASING PREFERENCES

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### 8.3 Tropical Wood Products

The County shall not enter into or renew any contractual agreement with any person or entity for the provision of goods or services, where the performance of which calls for, requires, or involves the use of any tropical hardwood or tropical wood product. (County Code Section 2.37.107)

### 8.4 Local Business Preference (County Code Section 2.37.108)

Refer to Manual Section 14 for requirements for Federal awards per 2 CFR Part 200 Subpart A.

- a. When the County Purchasing Agent evaluates the responses to a Formal Solicitation for supplies, goods, materials, furnishings or other personal property, a Locally Operated Business may match the low bid of a Non-Local Business if the Locally Operated Business' bid is within 5% of the low bid. If the Locally Operated Business elects to match a lower bid from a Non-Local Business, the contract shall be awarded to the Locally Operated Business.
- b. To be eligible for the Preference, the Locally Operated Business must complete, return, and satisfy the requirements of the Locally Operated Business Preference Affidavit of Eligibility and also supply a copy of a current valid business license with the County and/or an incorporated city within the County of Santa Cruz. Any person, firm, corporation or entity intentionally submitting false information to the County in an attempt to qualify for Local Business Preference shall be prohibited from bidding on County contracts for a period of three (3) years.
- c. The revised bid and completed Locally Operated Business Preference Affidavit of Eligibility of a Locally Operated Business electing to match a lower bid from a non- local business must be received by the Purchasing Agent within 3 business days after a solicitation deadline. It is the responsibility of the locally operated business to verify the bid results by contacting Purchasing.
- d. The Local Business Preference established by this section shall not be available if it is in conflict with State or Federal law or regulation.
- e. The County is not responsible for any business's failure to request, complete, return, or meet the requirements of the Locally Operated Business Preference Affidavit of Eligibility.
- f. "County" means the County of Santa Cruz.
- g. "Formal Solicitation" means an offer or proposal for providing goods and/or services submitted in response to the County's formal solicitation request, such as an Invitation for Bid, Request for Proposal, or Request for Information, or any similar solicitation evaluated on the basis of cost.
- h. "Legitimate Business Presence" means the existence of at least one physical location in the County where business is conducted, and which is staffed by at least one (1) full-time employee or owner/operator.
- i. "Locally Operated Business" means a legally formed and operated business, including but not limited to a sole proprietorship, partnership, or corporation, which has a legitimate business presence in the County. In addition, the business must:
  - 1) Hold a valid seller's permit issued by the State Board of Equalization and a valid business license if issued by an incorporated city within the County; and
  - 2) Have been in operation, transacting business in the county, for a minimum of six (6) months prior to publication of the call for Formal Solicitation; and
  - 3) Not be delinquent in the payment of any taxes, charges or assessments owing to the County or incorporated city within the County; and
  - 4) Have requested, completed, returned, and satisfied the requirements of a Locally Operated Business Preference Affidavit of Eligibility.

## PURCHASING PREFERENCES

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- j. “Locally Operated Business Preference Affidavit of Eligibility” means an affidavit to be completed by a Locally Operated Business (GSD 350) in applying for a Preference treatment.
- k. “Non-Local Business” means any business that does not meet all of the requirements of a Locally Operated Business.

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## CALCARD PROGRAM

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### 9.0 CALCARD PROGRAM

#### 9.1 Introduction

In March 1996, the Board authorized the County to participate in the State of California Purchase Card Program (CAL-Card Program). The CAL-Card program is designed to streamline the process for making small and/or simple purchases by allowing employee cardholders to make such purchases with an internationally-accepted VISA credit card rather than requesting a purchase order through Purchasing.

The County's CAL-Card Program is administered by the GSD in conjunction with the Auditor-Controller's Office. Specific procedures for the CAL-Card Program can also be found in the CAL-Card Procedures Handbook. The following sections provide further purchasing guidelines for the CAL-Card Program and should be used in conjunction with the CAL-Card Procedures Handbook.

The VISA card designed for the CAL-Card Program bears the County's seal, the restricted use designation, "For Official Use Only", and the words "CAL-Card DGS".

#### 9.2 Controls

The CAL-Card Program includes a number of unique controls to ensure that CAL-Cards can only be used for specific purposes within established dollar limits.

a. Single Purchase Limit

This limit, including tax and shipping as applicable, is set by the department with the required approval of GSD.

b. Monthly Purchase Limit

This limit is set by the department with the required approval of GSD and the Auditor- Controller's Office. The billing cycle runs from the 22nd of each month to the 21st of the following month.

c. Commodity Code

The commodity code control is determined by the department and GSD based on the types of goods purchased. These codes limit the types of goods that can be purchased with the cards.

d. Other Departmental Approvals

Several categories of goods must be purchased through or require the approval of another County department. The following are categories of products requiring other departmental approvals.

1) Goods Available through Central Stores Warehouse

The County maintains inventories of copy paper, multicolored paper, file boxes and used interoffice envelopes, which are listed in the Warehouse inventory on the GSD Website. The inventory items may be obtained by contacting Warehouse staff at 454-4601. Only if the Warehouse is out of a specific item or an item is needed immediately, may the CAL-Card be used to purchase the Items listed in the Warehouse inventory.

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**CALCARD PROGRAM**

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- 2) Office Supplies  
Purchasing has established office supply contract(s) through a vendor(s) to obtain bulk rate pricing on a countywide basis and to provide direct delivery to departments. These contracts must be utilized for office supply purchases unless departments have a need for a specialized item(s) not available from this vendor(s) or an unanticipated need within 2 days and the cost is under \$1,000 per item. Exceptions require Purchasing's approval.
- 3) Commodity Purchases – Annual Pricing Agreements  
Purchasing bids contracts for various commodities to establish annual pricing agreements or active blanket purchase orders for those commodities. Typically, these purchase orders offer pricing structures based on an annual expected volume of business and usually contain significant discounts from standard prices. When agreements of this type are in place, orders should not be placed with other vendors unless the contract vendor is unable to meet departmental needs. If a department has a blanket purchase order with a particular vendor, the CAL-Card generally may not be used.

Vendors for particular commodities and the types of commodities change periodically. Purchasing will post revised lists of specific price agreements and commodities of current vendors on an annual basis and will provide updated information as conditions warrant on Purchasing's Intranet page.

- 4) Personal Computer Hardware and Software  
County Procedures Manual Title VI, Section 410 outlines the approval process for the procurement of computer hardware and software. For purposes of this section, computer hardware is defined as desktop computers, laptop computers, printers, servers, and storage devices. Purchases of computer hardware and software, except for the Human Services and Community Development and Infrastructure departments, require the completion of the ISD 410 form, Request for Equipment and/or Review of Equipment to be Purchased. ISD's approval is required prior to any purchase of such equipment. A copy of the ISD 410, or an email from ISD granting approval to the department for the purchase of the item(s), must be attached to the purchase transaction as supporting documentation. Purchasing approval is required for computer hardware purchases at or above \$1,000 per item. The Information Services divisions of the Human Services and Community Development and Infrastructure departments should make all CAL-Card computer hardware and software purchases for their departments.
- 5) Telephones, Cellular phones and Tablets  
Purchases of telephones, cellular phones and accessories, and Tablets must be approved by the ISD - Telecom Division prior to purchase.
- 6) Duplicating Services  
The ISD - Duplicating Division (Duplicating) established procedures for duplicating and printing services. These procedures can be found in County Procedures Manual Title VI, Section 200. In accordance with these procedures, printing and duplicating services requests must be submitted to Duplicating. If Duplicating determines that outside services are necessary, they will approve the order for outside services. Depending on the cost, orders approved for outside services may be purchased by CAL-Card. A copy of the DUP-04 form or a copy of an approving email must be attached to the purchase transaction as supporting documentation.

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## CALCARD PROGRAM

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### 7) Radio Equipment

The ISD Technical Communications Division (Radio Shop) must approve all radio equipment prior to purchase.

## 9.3 Procurement Card Invoice Payment

Upon the department's receipt of the monthly CAL-Card statement, the department shall obtain receipts for each purchase made and attach the receipts along with other departmental approvals (forms or emails) as applicable to the Procurement Card Record Log. Either the employee making the purchases or his/her department designee shall certify the Log as being correct. The Log, CAL-Card statement, documentation of any contested charges, and the receipts and related documentation must be processed as required by the Auditor-Controller's Office by the 10th day of the month after billing date. Justification for any missing receipts must be included at that time to avoid late processing of the claim. The justification must be co-signed by the department head and the employee who made the purchase(s).

## 9.4 Products Containing Recycled Materials

It is the County's policy to encourage the use of products containing the maximum amount of recycled materials (Manual Section 8.1). Employees making purchases by CAL-Card should be aware of this policy and should attempt to purchase products containing the maximum amount of recycled materials when such an option is available at comparable costs. Purchasing will assist you in evaluating options and providing additional information on this policy.

## 9.5 Prohibited or Restricted Purchases

The following purchases are prohibited or restricted under the County's CAL-Card Program.

### a. Purchases of a Personal Nature

Purchases of a personal nature include items such as seasonal decorations, window and wall coverings, pictures, indoor plants, coffee machines, clock radios, compact refrigerators and microwave ovens. Items in this category should not be purchased with CAL-Cards and typically are not appropriate for purchase by any other County process except for some special program needs. Any exception must be approved in advance by the Purchasing Agent.

### b. Utilities

All utility expenditures, such as water, power, refuse and gas must be processed through a direct claim.

### c. Purchases under \$20.00

Processing costs for available purchasing options vary depending on the amount of time needed to perform the process. The preferred option available for small purchases under \$20 is petty cash. Refer to Manual Section 5.4.

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**CALCARD PROGRAM**

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**d. Personal Services**

Generally, personal services should be purchased through a regular or blanket purchase order, or using a contract agreement, as applicable, to ensure compliance with the County's insurance requirements and Living Wage Ordinance. CAL-Card may be used to purchase personal services that are generally less than \$1,000 and that are non-routine and/or unexpected, where the use of a regular or blanket purchase order, or a contract agreement is either impractical or inefficient. Purchasing must approve all requests for services to determine if services may be purchased on CAL-card. However, before using CAL-Card to purchase personal services that will be provided or performed on County property, the department must verify that the vendor's current insurance documentation is on file. If it is not, the department must obtain the vendor's current insurance documentation. Purchasing will review all personal services purchased with CAL-Card to ensure that they do not conflict with Living Wage tracking requirements.

Personal services most suited to purchase with CAL-Card include servicing or repairing equipment. Refer to Manual Sections 4.6 - Personal Services, Section 4.8- Living Wage Ordinance and County Procedures Manual Title III, Section 300, Subsection II, K.

**e. Purchasing must approve single item commodity purchases in excess of \$1,000.****f. Professional Services and Consultant Services**

Departments shall not purchase professional services and consultant services with CAL-Card.

**g. Splitting Orders**

As with all purchasing processes, orders placed with CAL-Cards shall not be split to avoid limits associated with the CAL-Card Program.

**h. Travel and Training**

To ensure compliance with County Travel Policies, departments may utilize the CAL- Card Program for travel and training expenses as follows:

**1) Airline, Lodging and Registrations:**

Departments may authorize one employee and possibly an alternate to utilize the CAL-Card program for airline tickets, lodging and registration fees for authorized events.

**2) Other:**

Expenses such as fuel, taxi and food shall not be purchased with CAL-Card. Such expenses shall be processed in accordance with County Procedures Manual Title 1, Section 100.

**3) Exceptions:**

Departments with unique travel needs, including those whose employees routinely travel while working with their clients, may request an exception to CAL-Card restrictions/prohibitions by following the procedure outlined in Manual Section 9.6.

**4) Auditor Approval:**

Departments shall obtain prior Auditor approval for all travel expenses paid by CAL-Card.

## CALCARD PROGRAM

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i. Tropical Wood Products

County Code Section 2.37.107 prohibits the County from entering into or renewing any agreement that involves the use of any tropical hardwood or tropical wood products (Manual Section 8.3).

Employees shall not purchase with CAL-Card any product that contains or uses tropical hardwood or tropical wood products. Direct any questions about specific products to Purchasing.

### 9.6 Special Approval Process

Select individuals within the County have unique work-related needs where use of a CAL- Card for transactions normally restricted from the CAL-Card Program may be in the County's best interests. In these cases, the department head should submit a written request explaining the unique circumstances involved and why use of the CAL-Card would be in the County's best interests to the Auditor-Controller's Office. If the Auditor-Controller concurs with the request, a written approval (policy amendment) will be provided indicating the special uses approved for the specified cardholder(s). The Auditor-Controller's Office will retain copies of such approvals to validate CAL-Card purchases.

### 9.7 Disaster Purchasing

At the time the Emergency Operations Center (EOC) is activated, CAL-Card is approved for emergency purchases as directed by the EOC Manager or designee.

## PUBLIC PROJECTS

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### 10.0 PUBLIC PROJECTS

The provisions of this Section apply to public projects bid and administered by the GSD. Public projects bid and administered by the Community Development and Infrastructure Department are covered by procedures promulgated by that department.

#### 10.1 Definition - Public Project

California Public Contract Code Section 20150.2:

- a. A project for the erection, improvement, and repair of public buildings and works. This applies to County owned and leased properties and includes painting.
- b. Work in or about streams, bays, waterfronts, embankments, or other work for protection against overflow, except maintenance, repair or reconstruction work.
- c. Supplies and materials used in maintenance, repair or reconstruction work in or about streams, bays, waterfronts, embankments; or other maintenance, repair or reconstruction work for protection against overflows.

#### 10.2 Definition - Public Work/Prevailing Wage

Beginning at Section 1720, the California Labor Code defines public works as certain construction, alteration, demolition, installation, repair or maintenance work done under contract and paid for in whole or in part out of public funds. The Labor Code requires that a contractor who contracts to perform public works must pay Prevailing Wage Rates adopted by the State of California, Director of Industrial Relations. Public works projects costing less than \$1,000 are not subject to the prevailing wage requirement.

- a. Maintenance work subject to payment of the prevailing wage includes:
  - 1) Routine, recurring and usual work for the preservation, protection and keeping of any publicly owned or publicly operated facility (plant, building, structure, ground facility, utility system or any real property) for its intended purposes in a safe and continually usable condition for which it has been designed, improved, constructed, altered or repaired.
  - 2) Carpentry, electrical, plumbing, glazing, (touchup painting) and other craft work designed to preserve the publicly owned or publicly operated facility in a safe, efficient and continuously usable condition for which it was intended, including repairs, cleaning and other operations on machinery and other equipment permanently attached to the building or realty as fixtures.
- b. Maintenance work not subject to payment of a prevailing wage includes:
  - 1) Janitorial or custodial services of a routine, recurring or usual nature.
  - 2) Protection of the sort provided by guards, watchmen, or other security forces.
  - 3) Landscape maintenance by a sheltered workshop. (A non-profit organization licensed by the Chief of DLSE employing mentally and/or physically handicapped workers.)

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**PUBLIC PROJECTS**

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**10.3 Public Project Bid Levels (Uniform Public Construction Cost Accounting Act Section 22002-Effective 7/1/19)**

It is the duty of the Purchasing Agent to engage independent contractors to construct or repair County facilities and to purchase furnishings, materials and supplies for use in construction or repair as follows:

- a. Public projects at or below \$60,000 or as defined in Section 22032(a) of the PCC may be performed by County employees by force account, by negotiated contract or by purchase order as authorized by the County Purchasing Agent, the Directors of Community Development and Infrastructure, General Services, Parks, Open space and Cultural Services or their designees and processed in accordance with the provision of this Manual. As of January 01, 2025, Assembly Bill ([AB](#)) 2192 will go into effect, raising this limit to \$75,000.00.
- b. Public projects between \$60,001 and \$200,000 or as defined in Section 22032(b) of the PCC shall be let to contract by informal procedures. As of January 01, 2025, AB 2192 will go into effect, raising this limit to a public project between \$75,001.00 and \$220,000.00.
- c. Public projects of \$200,001 or more or as specified in Section 22032(c) of the PCC shall be let to contract by formal bidding procedures. As of January 01, 2025, AB 2192 will go into effect, raising this limit to a public project of \$220,001.00 or above.

**10.4 Informal Bidding Procedures (Public Contract Code § 22032(b))**

- A. Public projects within the amount specified in Section 22032(b) of the Public Contract Code shall be let to contract by informal procedures as set forth in this section, and in compliance with any other applicable sections of the Act.
  - 1) Notice to Contractors. Notice to contractors shall be provided in accordance with either paragraph (a) or (b), or both.
    - (a) The County shall maintain a list of qualified contractors, identified according to categories of work. The list shall be developed and maintained in compliance with the specifications of the California Uniform Construction Cost Accounting Commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this paragraph shall be completed not less than 10 calendar days before bids are due.
    - (b) The County may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in Public Contract Code Section 22036.
  - 2) Contents of Notice. The notice inviting informal bids shall describe the project in general terms and explain how bidders may obtain more detailed information about the project. It shall also state the time and place for the submission of bids.
  - 3) All work performed under informal bidding procedures must have a fully executed independent contract agreement and Purchasing must provide an approved contract to the vendor before work is authorized to begin.

## PUBLIC PROJECTS

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### 10.5 Formal Bidding Procedures

Formal bidding procedures are described under Manual Section 11.

### 10.6 Plans and Specifications

For all formally bid public projects and more:

- a. The Board shall adopt the plans, specifications and working details.
- b. All bidders shall have the opportunity to examine the plans, specifications and working details.

### 10.7 Splitting Work

Public projects shall not be split or separated into smaller work orders for the purpose of evading provisions requiring public projects to be done by contract after bidding.

### 10.8 Local Hire

County Code Section 2.33 relates to the hiring of local residents on County public works projects. Bidders, contractors and subcontractors must make good faith efforts to hire Monterey Bay Area residents in sufficient numbers so that no less than 50% of the contractor's total construction workforce, including any subcontractor's workforce, measured in labor work hours, is comprised of Monterey Bay Area residents. Bidders, contractors and subcontractors must maintain and submit records necessary for monitoring their compliance with this County Code section.

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## FORMAL BIDDING PROCEDURES

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### 11.0 FORMAL BIDDING PROCEDURES

The provisions of this Section apply to public projects bid and administered by GSD. Public projects bid and administered by the Community Development and Infrastructure Department are covered by procedures promulgated by that department.

#### 11.1 Definition (Public Contract Code § 20150.8)

Formal bidding is a procurement method involving competitive sealed offers that requires:

- a. Adoption of plans, specifications and working details by the Board;
- b. Formal advertising in a general circulation newspaper during a bidding process.
- c. Public opening of bids at a pre-designated time and place;
- d. Referral of bids to GSD or other operating department for evaluation of the bids;
- e. Unconditional acceptance of a bid without alteration or correction except as authorized in County Code, this Manual or Public Contract Code;
- f. Award of a contract by the Board to the responsive and responsible bidder who has submitted the lowest bid that meets the requirements and criteria set forth in the invitation for bids;
- g. Notice of Award to the selected bidder;
- h. Completion of all required contract documentation; and
- i. Notice to Proceed is issued to the contractor.

Formal bidding is required for all public projects with estimated costs of \$200,000 and more.

#### 11.2 Advertising (Public Contract Code § 20150.8)

- a. The notices inviting formal bids shall state the time and place for receiving and opening of sealed bids and distinctly state the project to be done and the place where plans and specifications are on file. The first publication of the notice shall be at least 10 days prior to the opening of bids. Notice shall be published at least twice, not less than 5 days apart, in a newspaper of general circulation, printed and published in the jurisdiction of the County.
- b. In addition to the notices published in a newspaper of general circulation, Purchasing may also publish notice in a trade publication and/or through other means designed to encourage competition.

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**FORMAL BIDDING PROCEDURES**

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**11.3 Bid Documents**

- a. Copies of Bid Documents
  - 1) Bidders may purchase complete sets of bidding documents from Purchasing as set forth in the Invitation for Bids and in the Unified Fee Schedule.
  - 2) Bidders shall use complete sets of bidding documents in preparing bids; the County will not assume any responsibility for errors or misinterpretations resulting from the use of incomplete sets of bidding documents.
  - 3) The County makes copies of the bidding documents available on the above terms only for the purpose of obtaining bids for the specified commodities or services and does not confer a license or grant for any other use.
- b. Interpretation or Correction of Bidding Documents
  - 1) Bidders shall promptly notify GSD of any inconsistency or error discovered upon examination of the bidding documents, or of the site and local conditions.
  - 2) Bidders requiring clarification or interpretation of the bidding documents shall contact the GSD at least five (5) working days prior to the date for receipt of bids, or as specified in the Invitation for Bids.
  - 3) Any interpretation, correction or change of the bidding documents will be made by written addendum. Interpretations, corrections or changes of the bidding documents made in any other manner will not be binding, and bidders shall not rely upon such interpretations, corrections and changes.
- c. Alternate Bids
  - 1) The materials, products and equipment described in the bid documents establish a standard of required function, dimension, appearance and quality to be met. An equal product must meet minimum specifications and the burden of proof of merit of proposed alternate or substitute is on the bidder.
  - 2) Non-solicited alternates may be considered for award if submitted by the bidder who would otherwise be the low bid.
  - 3) Solicited alternates may be awarded based on the sole judgment of the County.
- d. Addenda
  - 1) Addenda will be mailed or delivered to all prospective bidders known by GSD to have received a complete set of bid documents.
  - 2) Copies of addenda will be made available for inspection wherever bidding documents are on file for that purpose.
  - 3) No addenda will be issued later than five calendar days prior to the date for receipt of bids except an addendum withdrawing the request for bids or one that includes postponement of the date for receipt of bids. For bids opened on Tuesdays, this means addenda will not be issued after the preceding Thursday except as described above.
  - 4) Each bidder shall be responsible for ascertaining prior to submitting a bid that it has received all addenda issued.
  - 5) Bidders shall acknowledge receipt of addenda to receive award consideration unless otherwise indicated in the bid documents.

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**FORMAL BIDDING PROCEDURES**

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**11.4 Form of Bid**

To receive consideration, bids shall be made on the forms and in the manner set forth in the Invitation for Bids.

- a. Late bids shall not be accepted.
- b. Each bid must be signed by an authorized representative of the bidder, include the legal name of the bidder and a statement of non-collusion signed by the bidder.
- c. Bidders shall not change the bid form nor make additional stipulations on the bid form that are not consistent with the provisions of the specifications.

**11.5 Bid Security**

A bid bond or bid deposit (certified or cashier's check) made payable to Santa Cruz County may be required to protect the County in the event the bidder awarded the contract does not execute the contract, furnish any required performance bond, and/or proceed with performance. A required bid bond or bid deposit must be submitted with the bid and be in the amount as specified in the Invitation for Bids.

In the event a low bidder is allowed to withdraw its bid due to claim of error, the County may retain the bid guarantee to offset its administrative costs of handling the bid.

Bid bonds/deposits should be returned as soon as practical following the bid opening and evaluation of bid responses. The guarantees of the lowest bidder should be retained until the contract has been executed and approved and any performance bond and certificate of insurance provided, at which time they will be released except where forfeited. The bid bonds/deposits of the second and third lowest responsible bidders may be retained until the contract has been fully executed and insurance certificates are obtained. The cashier's/certified checks submitted by all other unsuccessful bidders shall be returned to them within ten (10) calendar days after the receipt of bids, and their bid bonds shall be of no further effect.

**11.6 Receipt of Bids**

All bids must be received sealed in an envelope by the time specified in the IFB. Bids must not be left unattended and must be promptly time-stamped and deposited unopened in the respective bid folder. Late bids shall not be opened and shall not be considered under any circumstances. A late bid will be date-stamped and remain unopened in the bid file. GSD will send a letter notifying the late bidder that the bid was received late and was not considered.

**11.7 Opening of Bids**

The Auditor-Controller, Purchasing Agent or designee shall administer all bid openings and all bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the IFB. The County assumes no responsibility over the confidentiality of bid information unless specifically stated otherwise in the IFB.

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**FORMAL BIDDING PROCEDURES**

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**11.8 Correction or Withdrawal of Bids (Public Contract Code § 5100 - 5107)**

GSD shall consult with County Counsel regarding any request or decision involving a bid mistake, correction or withdrawal. Except as otherwise specified in Public Contract Code Section 5100 , correction or withdrawal of inadvertently erroneous bids before or after bid opening may be permitted only if such correction or withdrawal is not prejudicial to the interest of the County or fair competition. Further:

- a. Mistakes in bids detected prior to bid opening may be corrected or withdrawn by the bidder by written request received by the Purchasing Agent prior to the time designated for opening of bids. Any written request or personal appearance made to correct or withdraw a bid prior to bid opening must be made by a bona fide representative of the bidder with proper identification. An acknowledgement form must be signed by the bidder indicating that they have received the bid submission. The written request must be signed by the same person who signed the original bid, and shall be sealed, time-stamped and deposited in the same manner as the original bid. Oral, telegraphic, or facsimile transmission of corrections or withdrawals shall not be permitted. Any resubmitted bid must be received by the bid deadline.
- b. Mistakes in bids detected during or after bid opening may not be corrected by the bidder except:
  1. A bidder may be permitted to correct a material mistake that would cause such bidder to have the low bid if the mistake is clearly evident from examining the bid document; for example, mathematical errors. However, a bidder shall not be permitted to correct a bid for errors of judgment. A low bidder shall not be permitted to increase its bid price and still be considered as the low bidder.
  2. An otherwise low bidder may be permitted the opportunity to furnish other information called for by the Invitation for Bids and not supplied due to oversight, so long as it does not affect responsiveness. The Purchasing Agent shall maintain complete and sufficient records of evidence used to establish an error and intended price. Records of bid withdrawals shall also be maintained to ensure there is no abuse of the competitive bidding process. All decisions to permit the correction of bid mistakes and the withdrawal of bids shall be made in writing by the Purchasing Agent and retained in the bid file. In the event that the correction of a bid subsequent to bid opening results in a new low bidder, the Purchasing Agent, at his/her discretion, may recommend, or make, given proper approval requirements, an award to the new low bidder, or may request new bids.

**11.9 Bid Evaluation**

The Purchasing Agent shall maintain complete and sufficient records of bid evaluations to ensure there is no abuse of the competitive bidding process. All reasons for making the award recommendation shall be made in writing by the Purchasing Agent and retained in the bid file.

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**FORMAL BIDDING PROCEDURES**

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**11.10 Rejection of Bids**

The County may, in its discretion, reject any bids presented. The County may also:

- a. Reject a bid not accompanied by any required bid security or by other data required by the bidding documents.
- b. Reject a bid that is in any way incomplete, irregular, amplified, unqualified or otherwise not in compliance with the bid documents in all material respects.
- c. Waive any informality, irregularity, immaterial defects or technicalities, in any bids received.
- d. Cancel an Invitation for Bids or reject all bids because of any of the following reasons:
  - 1) Specifications are inadequate or ambiguous.
  - 2) Specifications have been revised.
  - 3) Supplies or services are no longer needed.
  - 4) County requirements have changed.
  - 5) All bids have been deemed unreasonable.
  - 6) Bids were not independently arrived at and/or were submitted in bad faith.
  - 7) Necessary requirements of the bid process have not been met.
  - 8) Competition is insufficient.
  - 9) Cancellation or rejection of all bids is clearly in the County's best interest.
  - 10) The company's name appears on either the Federal Excluded Parties list per 28 CFR, Part 66, Subpart C, Section 66.35 for any Federal Grant funded contracts or sub contracts and/or the appearance of the company's name on the California State's Department of Industrial Relations, Division of Apprenticeship Standards (DAS) debarment list for all public works contracts issued by the County, and therefore the contractor must be denied.

The Purchasing Agent shall maintain complete and sufficient written records of bid rejections and cancellations to ensure that there is no abuse of the bidding process. All reasons for rejecting a bid shall be retained in the bid file.

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**FORMAL BIDDING PROCEDURES**

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**11.11 Cost Estimate Re-evaluation (Public Contract Code § 20150.9 & § 20150.10)**

If, after a first invitation for bids, all bids are rejected after re-evaluating its cost estimates of the project, the County shall abandon the project or shall re-advertise for bids. If, after re-advertising, the County again rejects all bids presented, the County may proceed with the project by use of County personnel or may re-advertise again. If two or more bids are the same and the lowest, the County may accept the one it chooses. If no bids are received, the County may have the project done without further complying with Public Contract Code § 20150.9 (County Code Section 2.35).

Notwithstanding the preceding provisions, on any project that is less than \$75,000, if, after the first invitation for bids, all bids are rejected, the County may, after re-evaluating its cost estimates of the project, pass a resolution by a four fifths (4/5) vote of the Board declaring that the project can be performed more economically by County personnel, or that in its opinion a contract to perform the project can be negotiated at a lower price than that in any of the bids, or the materials or supplies can be furnished at a lower price in the open market. Upon adoption of such a resolution, the County may have the project done in the manner stated without further complying with County Code Section 2.35.

**11.12 Bid Award**

If the County decides to award a contract, the County generally must award the contract to the lowest responsible and responsive bidder whose bid best meets the requirements and criteria set forth in the Invitation for Bids. In the event the successful bidder fails to perform, or such bidder's bid is authorized to be withdrawn, the County may award a contract to the next lowest responsible and responsive bidder that will best meet the needs of the County.

**11.13 Cancellation of Bid Award**

Failure on the part of the successful bidder within the time allowed to execute the contract, furnish an acceptable performance bond, or comply with any other requirement precedent to execution of the contract shall be considered just cause for cancellation of the award and forfeiture of the bid security, not as a penalty, but in liquidation of certain damages sustained. Contract award may then be made to the next lowest responsible and responsive bidder, the call for bids re-advertised, or such other action taken as deemed appropriate by the County.

**11.14 Public Notice of Award**

GSD shall maintain a summary of all contract awards and make it available for public inspection. The summary shall, at a minimum, include the date of the award, the contract numbers, the suppliers, the contract amounts, and a brief description of the commodity or service.

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**PROTESTS AND APPEALS**

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**12.0 PROTESTS AND APPEALS****12.1 Construction Projects – Bid Protests**

The provisions of Manual Section 12.1 apply to public projects bid and administered by GSD. Public projects bid and administered by the Community Development and Infrastructure Department are covered by procedures promulgated by that department.

- a. Any actual or prospective bidder, offeror or contractor who is allegedly aggrieved in connection with the solicitation or award of a construction contract for a public work may file a protest. The bid protest shall be filed with the Clerk of the Board within three working days of the bid opening. The Board shall hear the bid protest prior to the execution of the contract, unless subject to Manual Section 12.1(b). The protesting party may protest the bid award for the County's or successful bidder's failure to comply with the requirements of County procedures, the bid documents or any other applicable provision of County or State code. The Board shall sustain a bid protest only if it finds evidence that award of the bid would violate County Code or other applicable law. The decision of the Board shall be final.
- b. If the County Administrative Officer, in consultation with County Counsel and the General Services Director, makes a determination that the award of the contract without delay is necessary to protect a substantial interest of the County, then the Board will not hear a bid protest prior to the execution of the contract. In this instance, the Board may delegate hearing of the bid protest to the General Services Director or the County Administrator Officer.

**12.2 Protests and Appeals of Other Procurement Awards**

Any actual or prospective bidder, proposer or contractor who is allegedly aggrieved in connection with the solicitation or award of a contract other than bid protests as described under Manual Section 12.1 may protest to the General Services Director. The protest shall be submitted in writing to the General Services Director within five (5) working days after notification of the recommendation of award.

**12.2.1 Protests to the General Services Director**

The General Services Director shall issue a written decision within ten (10) working days after receipt of the protest. The decision shall:

- a. State the reason for the action taken;
- b. Inform the protestant that a request for further administrative appeal of an adverse decision must be submitted in writing to the County Clerk within seven (7) working days after receipt of the decision by the General Services Director. If the award is not subject to approval by the Board (contracts for services for up to \$200,000), the General Services Director shall make the final decision on the merits of the protest. The General Services Director shall discuss with County Counsel all protests prior to issuing a written decision.

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## PROTESTS AND APPEALS

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### 12.2.2 Appeals to the Board of Supervisors

If so requested as set forth in Manual Section 12.2.1(b), and the award is subject to approval by the Board, the General Services Director's decision may be appealed to the Board. If the award is not subject to approval by the Board, the General Services Director shall make the final decision on the merits of the protest per Manual Section 12.2.1.

### 12.2.3 Appeal Time Limits

Appeals of decisions shall be initiated within ten days of the decision. The County shall be considered an interested party. When the appeal period ends on a day when the County offices are not open to the public for business, the time limits shall be extended to the next full working day.

### 12.2.4 Initiation of Appeals

An appeal shall be filed with the County Clerk by letter that shall state, as appropriate, any of the following:

- A determination or interpretation is not in accord with the purpose of these procedures or County Code;
- There was an error or abuse of discretion;
- The record includes inaccurate information; or
- A decision is not supported by the record.

In the event of a timely appeal before the Board under this Section, the County shall not proceed further with the solicitation or with the award of the contract until the appeal is resolved, unless the County Administrative Officer, in consultation with County Counsel, the General Services Director, and the using department, makes a written determination that the award of the contract without delay is necessary to protect a substantial interest of the County

### 12.2.5 Appeal Procedure

- a. **Appeal Hearing Date.** An appeal shall be scheduled for a hearing before the Board within thirty days of the County's receipt of an appeal unless the protestor and County consent to a later date.
- b. **Notice and Public Hearing.** An appeal hearing shall be a public hearing. Notice of the public hearing shall be mailed or delivered to the protestor within ten days of the scheduled hearing date.
- c. **Hearing.** At the hearing, the Board shall review the record of the decision and hear oral explanations from the protestor and any other interested party.
- d. **Decision and Notice.** After the hearing, the Board shall affirm, modify or revise the original decision. When a decision is modified or reversed, the Board shall state the specific reasons for modification or reversal. The Clerk of the Board shall mail notice of the Board's decision to the protestor within five working days after the date of the decision and to any other party requesting such notice.
- e. A decision by the Board regarding an appeal shall become final on the date the decision is announced to the public.

## DEBARMENT OF SUPPLIERS/CONTRACTORS

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### 13.0 DEBARMENT OF SUPPLIERS/CONTRACTORS

After consultation with County Counsel and after reasonable notice to the supplier/contractor involved and reasonable opportunity for the supplier/contractor to be heard, the Board shall have the authority to debar a person or firm for cause from consideration for award of contracts. The debarment shall not be for a period of more than two years.

#### 13.1 Causes for Debarment

The causes for debarment include the following:

- a. Conviction of or civil judgment for:
  - 1) Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public contract or subcontract;
  - 2) Violation of antitrust statutes relating to the submission of bids or proposals;
  - 3) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; or
  - 4) Commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of a contractor or subcontractor.
- b. Violation of the terms of a public agency contract or subcontract so serious as to justify debarment, such as:
  - 1) Willful negligence or failure to perform in accordance with the terms of one or more contracts; or
  - 2) A history of failure to perform, or of unsatisfactory performance of one or more contracts.
- c. Violation of ethical standards set forth in Manual Section 1.3.
- d. For any other cause the Board determines to be so serious and compelling as to affect responsibility as a County contractor.
- e. If the contractor's name appears on the Federal or State debarment lists as stated in Manual Section 11.10.10.

#### 13.2 Other Actions

This section shall not be construed as to limit or prejudice any administrative or legal action available to the Board.

**DEBARMENT OF SUPPLIERS/CONTRACTORS**

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**13.3 Federally Funded Vendors' Exclusion Records**

In accordance with Federal requirements concerning debarment and suspension of vendors participating in and/or receiving funding related to Federal programs, Purchasing shall conduct searches for federally-funded vendors' active exclusion records and maintain documentation of such searches with the related purchasing records. This verification may be accomplished by (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA) and available at <https://www.sam.gov/SAM/pages/public/index.jsf/> (Note: The OMB guidance at 2 CFR part 180 and agency implementing regulations still refer to the SAM Exclusions as the Excluded Parties List System (EPLS)), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

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**PROCUREMENT STANDARDS FOR FEDERAL AWARDS**

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**14.0 Conformance with Procurement Standards 2 CFR Part 200 Subpart A**

When procuring commodities and services under a Federal award, non-Federal entities, including local governments, are required to follow 2 CFR Part 200 Subpart A §200.318 General procurement standards through §200.326 Contract provisions.

**14.1 §200.318 - General procurement standards**

- a. The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.
- b. Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
- c. (1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.  
(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
- d. The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
- e. To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
- f. The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
- g. The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

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**PROCUREMENT STANDARDS FOR FEDERAL AWARDS**

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- h. The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- i. The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- j. (1) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract mean a contract whose cost to a non-Federal entity is the sum of:
  - (i) The actual cost of materials; and
  - (ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
- k. The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

**14.2 §200.319 - Competition**

- a. All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:
  - i. Placing unreasonable requirements on firms in order for them to qualify to do business;
  - ii. Requiring unnecessary experience and excessive bonding;
  - iii. Noncompetitive pricing practices between firms or between affiliated companies;
  - iv. Noncompetitive contracts to consultants that are on retainer contracts;
  - v. Organizational conflicts of interest;
  - vi. Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
  - vii. Any arbitrary action in the procurement process.

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**PROCUREMENT STANDARDS FOR FEDERAL AWARDS**

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- b. The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- c. The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:
  - i. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
  - ii. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- d. The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**14.3 §200.320 - Methods of procurement to be followed**

The non-Federal entity must use one of the following methods of procurement:

- a. Procurement by micro-purchases (<\$10,000). Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold ( $\leq$ \$10,000) which in the aggregate do not exceed \$10,000 but are less than \$250,000. To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.
- b. Procurement by small purchase procedures (<\$250,000). Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold (<\$250,000; commercial items: \$7,000,000). If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

**PROCUREMENT STANDARDS FOR FEDERAL AWARDS**

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- c. Procurement by sealed bids (formal advertising) (>\$250,000). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.
- 1) In order for sealed bidding to be feasible, the following conditions should be present:
    - (i) A complete, adequate, and realistic specification or purchase description is available;
    - (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
    - (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
  - 2) If sealed bids are used, the following requirements apply:
    - (i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, the invitation for bids must be publicly advertised;
    - (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
    - (iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
    - (iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
    - (v) Any or all bids may be rejected if there is a sound documented reason.
- d. Procurement by competitive proposals (>\$250,000). The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:
- (i) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
  - (ii) Proposals must be solicited from an adequate number of qualified sources;
  - (iii) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
  - (iv) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
  - (v) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

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**PROCUREMENT STANDARDS FOR FEDERAL AWARDS**

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- e. [Reserved]
- f. Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
  - (i) The item is available only from a single source;
  - (ii) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
  - (iii) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
  - (iv) After solicitation of a number of sources, competition is determined inadequate. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**14.4 §200.321 - Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms**

- a. The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
- b. Affirmative steps must include:
  - (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
  - (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
  - (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
  - (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
  - (v) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
  - (vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

**14.5 §200.322 - Procurement of recovered materials**

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 (Recycling and Procurement) of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

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**PROCUREMENT STANDARDS FOR FEDERAL AWARDS**

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**14.6 §200.323 - Contract cost and price**

- a. The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.
- b. The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
- c. Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred, or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E— Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.
- d. The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

**14.7 §200.324 - Federal awarding agency or pass-through entity review**

- a. The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.
- b. The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:
  - (i) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;
  - (ii) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
  - (iii) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;
  - (iv) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or
  - (v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

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**PROCUREMENT STANDARDS FOR FEDERAL AWARDS**

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- c. The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part:
  - (i) The non-Federal entity may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third-party contracts are awarded on a regular basis;
  - (ii) The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

**14.8 §200.325 - Bonding requirements**

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

- a. A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
- b. A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
- c. A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

**14.9 §200.326 - Contract provisions**

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200 — Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

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**PROCUREMENT STANDARDS FOR FEDERAL AWARDS**

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**14.10 Definitions**

- a. §200.22 Contract. A legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (see §200.92 Subaward).
- b. §200.23 Contractor. An entity that receives a contract as defined in §200.22 Contract.
- c. §200.67 Micro-purchase. A purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. Micro-purchase procedures comprise a subset of a non-Federal entity's small purchase procedures. The non-Federal entity uses such procedures in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is \$3,000 except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation.
- d. §200.88 Simplified acquisition threshold. The dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$150,000, but this threshold is periodically adjusted for inflation. (Also see definition of §200.67 Micro-purchase.)
- e. §200.92 Subaward. An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.
- f. §200.93 Subrecipient. A non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

**APPENDIX II TO PART 200**  
**CONTRACT PROVISIONS FOR NON-FEDERAL CONTRACTS UNDEDR FEDERAL AWARDS**

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In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

- (A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- (B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.
- (C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”
- (D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.
- (E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$200,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours.

**APPENDIX II TO PART 200**  
**CONTRACT PROVISIONS FOR NON-FEDERAL CONTRACTS UNDEDR FEDERAL AWARDS**

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Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- (F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.
- (G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- (H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- (I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$200,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- (J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

## GLOSSARY

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**Addendum.** An addendum is a change or modification to achieve correctness. An addendum is also an alteration, modification, deletion or addition to a solicitation document such as an Invitation for Bids. An addendum must be in writing.

**Award.** An award is the presentation of a purchase agreement or contract to a bidder or the acceptance of a bid or proposal.

**Best Interests (of the County).** A term used in granting a purchasing official authority to use discretion to take action that is felt most advantageous to the County. This authority is used when it is difficult or impossible to anticipate adequately the circumstances that may arise so that more specific directions could be delineated by the law or regulation. Case law affirms discretion for purchasing officials in these actions.

**Bid Bond.** An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event that a specific successful bidder fails to sign the contract as it was bid.

**Bidders List.** A database maintained by Purchasing that provides a listing of suppliers and the goods and services they provide.

**Blanket (Open) Purchase Order/Agreement.** An arrangement under which a purchaser contracts with a supplier to provide an item(s) or a service(s) on an as-needed basis. Properly prepared, such an arrangement sets a limit on the period of time it is valid and the maximum amount of money that may be spent within a specified period.

**Change Order.** A written modification, addition or deletion to a purchase order or contract.

**Competitive Bidding.** The submissions of offers by individuals or firms competing for a contract, privilege or right to supply merchandise or services.

**Commodity.** An article of trade, product, or goods.

**Competitive Sealed Bidding.** A method of procurement that requires the following elements: issuance of an Invitation for Bids with a purchase description/specifications, acceptance criteria and all contractual terms and conditions applicable to the procurement; a public, contemporaneous opening of bids at a pre-designated time and place; an unconditional acceptance of a bid without alteration or correction except as authorized in this Manual; and an award to the most responsive and responsible bidder who has submitted the lowest bid that meets the requirements and criteria set forth in the Invitation for Bids.

**Confirming Purchase Order.** A purchase order issued to a supplier, listing goods or services and terms of an order placed verbally by a Buyer, or otherwise, in advance of the issuance of the usual purchase document.

**Consultant Services.** A type of service where an independent contractor provides expert advice or services that involve extended analyses and the exercise of discretion and independent judgment, such as financial audit firms, grant writers, program specialists and others. See also Professional Services.

**Contract.** An agreement, enforceable by law, between two or more competent parties, to perform a particular act within the law, for a consideration. Also, any type of agreement or order for the procurement of supplies, services or construction.

**Debarment.** A process in which a supplier or contractor is prevented from being considered for the award of contracts. If Contractor's name appears on either the Federal (grant monies use) or the State Debarment Lists results in rejection of contractor's bid.

**Discount.** Generally, a supplier's deduction from the list price, or some cost-reducing condition or negotiation, such as prompt payment (i.e., 2% if payment received within 30 days).

## GLOSSARY

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**Emergency Purchase.** An immediate acquisition by a department to obtain goods or services to avoid a substantial hazard to life or property, or serious interruption of the operation of a County department. Such action may be taken by a department when Buyers are not available in the evenings or on weekends.

**Fixed Asset.** A fixed asset is an item of equipment that costs \$10,000 or more and has a useful life expectancy of greater than one year.

**Formal Bidding.** A procurement method involving competitive sealed offers that requires: adoption of plans, specifications and working details by the Board; formal advertising in a general circulation newspaper during a bidding process; public opening of bids at a pre-designated time and place; referral of bids to GSD or other operating department for evaluation of the bids; unconditional acceptance of a bid without alteration or correction except as authorized in County Code, this Manual or Public Contract Code; award of a contract by the Board to the responsive and responsible bidder who has submitted the lowest bid that meets the requirements and criteria set forth in the invitation for bids; Notice of Award to the selected bidder; completion of all required contract documentation; and a Notice to Proceed is issued to the contractor.

**Independent Contractor Agreement (ICA).** A contract document, including attachments, utilized by the County for the purchase of services. Standard ICA is template with terms and conditions that have been previously approved by the Board. A non-standard ICA is an agreement that has different terms and conditions that have not been approved by the Board. In many cases non-standard agreements are vendor provided agreements.

**Informal Bidding.** A procurement method that utilizes advertising to seek bids but does not require the same level of documentation as formal bidding. For example, Board approved plans and specifications are not necessary for informal bidding; advertising requirements and degree of detail may be less stringent; etc.

**Informal Quotation.** A verbal or written solicitation by a Purchasing Buyer for goods and services without the use of competitive sealed bids.

**Inventory.** A stock of goods or an itemized list that indicates quantities and values of products. (By enumeration it is a "physical inventory" and by periodic recording, it is a "book inventory".)

**Invitation for Bids.** All documents, whether attached or incorporated by reference, utilized for soliciting bids in accordance with the procedures set forth in this Manual.

**Invoice.** A seller's itemized document referencing order/contract number stating prices and quantities of goods and/or services delivered and sent to the County for payment.

**Living Wage.** The Living Wage Ordinance requires that private sector employers who contract with the County to provide specified personal services for greater than \$15,000 cumulatively in one fiscal year must pay their employees a living wage as defined in the ordinance and periodically modified by the Board.

**Local Hire.** County Code Section 2.33 relates to the hiring of local residents on County public works projects. Bidders, contractors and subcontractors must make good faith efforts to hire Monterey Bay Area residents in sufficient numbers so that no less than 50% of the contractor's total construction workforce, including any subcontractor's workforce, measured in labor work hours, is comprised of Monterey Bay Area residents. Bidders, contractors and subcontractors must maintain and submit records necessary for monitoring their compliance with this County Code section.

**Master Independent Contractor Agreement (MICA).** A master agreement procured by Purchasing for a personal service that is used by multiple departments. Upon approval of the Board, departments secure the service through a purchase order based on the terms of the master agreement.

## GLOSSARY

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**Performance Bond.** A contract of guarantee executed subsequent to award by a successful bidder to protect the County from loss due to the inability to complete the contract as agreed.

**Personal Property.** Materials, supplies, machinery, furnishing, equipment and any other tangible article required for the conduct of business of the County.

**Personal Services.** Services provided by skilled trades persons, technicians and others including facility and equipment maintenance, security services, installation of equipment and furnishings, tree trimming, janitorial, etc. Personal services agreements do not include those for public projects, consultants, engineers, architects, designers, and other professional services. Generally, specifications for personal services agreements may be specific enough so that the services can be secured through quotes and/or bids. RFPs may also be appropriate when the service requirements so justify. Certain personal services must comply with the Living Wage Ordinance, County Code Section 2.122 .

**Pre-Qualification.** A process in which bidders/vendors/service providers are pre-qualified by responding to a solicitation to establish responsibility. This may include information regarding such factors as financial background, industry stability, capacity to perform, lines of credit, manufacturers' authorizations, relevant experience, etc. Qualified firms may then be asked to participate in a price solicitation.

**Prevailing Wages.** Wage rates adopted by the State of California, Director of Industrial Relations, the payment of which is required of contractors performing construction work for the County.

**Procurement.** The process of seeking and obtaining goods and services.

**Professional Services.** Professional services and consultant services include services that are of an advisory nature, provide personal expertise and/or a recommended course of action, and have an end product that is basically a transmittal of information related to County programs. Providers are selected on the basis of qualification, subject to the negotiation of a fair and reasonable compensation. Classification as professional services may also require an advanced, specialized type of knowledge, expertise or training customarily acquired either by a prolonged course of study or equivalent experience such as accountants, physicians, labor consultants, investigators, attorneys, architects, surveyors, or engineers. See also Consultant Services.

**Public Project.** California Public Contract Code Section 20150.2 and County Code Section 2.35.020 defines a public project as a project for the erection, improvement, and repair of public buildings and works; work in or about streams, bays, waterfronts, or other work for protection against overflow, except maintenance, repair or reconstruction work; and supplies and materials used in maintenance, repair or reconstruction work in or about streams, bays, waterfronts, embankments; or other maintenance, repair or reconstruction work for protection against overflows.

**Purchase.** Any contractual arrangement or transaction involving payment; the acquisition of title to personal property; the use by rental, lease or otherwise of personal property; the provision of services by independent contract or otherwise; or any combination of the foregoing.

**Purchase Order.** A written document prepared by the buyer and provided to a supplier formally stating all terms and conditions of procurement.

**Purchasing Agent.** Chief purchasing official. By ordinance, the GSD Director has been designated as the County's Purchasing Agent.

**Quotation.** A statement of price, terms of sale, and description of goods or services offered by a supplier to a prospective purchaser; the stating of the current price of a commodity; the price so stated.

## GLOSSARY

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**Request for Proposal.** All documents, whether attached or incorporated by reference, utilized for soliciting proposals in accordance with the policies set forth in this Manual.

**Requisition.** A requisition is an internal document by which a department requests Purchasing to initiate procurement.

**Reserve (“R”) Number.** An emergency transaction number required from Purchasing when making an emergency purchase.

**Responsible Bidder or Offeror.** A person or firm that has the capability in all respects to perform fully the contractual requirements, and the integrity and reliability to assure good faith performance.

**Responsive Bidder or Offeror.** A person or firm that has submitted a bid that conforms in all material respects to the Invitation for Bids, including the specifications set forth in the IFB.

**Specifications.** A detailed statement of particulars prescribing dimensions, materials, performance, quality of work etc. for something to be purchased, built or installed.

**Sole Source Purchase.** An award for a commodity or service that can only be purchased from one supplier, usually because of its technological, specialized, or unique character.

**Solicitations.** Purchasing processes designed to seek and obtain goods and/or services including Request for Quotations (RFQ), Invitation for Bids (IFB), and Request for Proposals (RFP).

**Standardization.** The organized process of obtaining solutions to common problems by establishing agreement on specific quality, design, size, color, etc. The established agreement is called a standard.

**UPCCAA.** Uniform Public Construction Cost Accounting Act (Adopted by County May 2019 and implemented beginning July 2019).

**Warranty.** A written guarantee of the integrity of a product and of the maker’s responsibility for the repair or replacement of defective parts