

## **Article III**

### **Division I. Generally**

#### **Division 3. Finance Officer**

##### **Sec. 2-100- Head of Finance**

- (a) The head of the Finance Department or department whose principle function includes the regulatory financial duties of the town, shall be designated the Finance Officer. The title Finance Officer and Finance Director shall have the same meaning

##### **Sec. 2-101- Authority**

- (a) The authority and duties of the Finance Officer include, but are not limited to:
1. Attend to the financial affairs of the town.
  2. Payment of lawful debts. The Finance Officer shall audit for propriety all accounts, claims, and demands against the Town.
  3. The Finance Officer shall have the authority to sign checks on the basis of duly approved invoices, claims or payrolls.
  4. To purchase or supervise the purchasing of all supplies and services needed by the town.
  5. To exercise general supervision over all inventories of supplies belonging to the town.
  6. Keep a complete set of accounts according to GAAP and GASB standards and practice

#### **Division 4. Town Clerk**

## **Article V – Fiscal Management**

### **Division 1. – Generally**

#### **Section 2-175. Authority**

The Finance Officer shall ensure the provisions of this article are followed.

(reserve 2-176 through 2-224)

### **Division 2. – Purchasing**

#### **Sec. 2-225 – Generally**

This Division governs the purchase of supplies, professional services, or contractual services. No such purchases shall be made by the Town which are not in compliance with this Division.

#### **Sec. 2-226 – Definitions.**

The following words, terms, and phrases shall have the meanings ascribed to them in this article except where the context clearly indicates a different meaning:

***Best interest of the town*** means a judgmental assessment of what will result in a maximum

benefit being conferred upon the town.

**Bid** an offer to do specified work under specified conditions for a specified price under town generated specifications. Bids may be written or electronic.

**Bidder** shall mean any business, vendor or person that offers materials or service for a given price and specified terms. The terms shall include offerors and respondents to solicitations or request for quotes.

**Budget** means the annual appropriations for each user department established by resolution of the Town Commission, together with resolutions amending the annual appropriations.

**Business** means a person that is duly licensed, if required, and authorized to transact business in the State of Florida.

**Brand name or equal specification** means a specification limited to one (1) or more items by manufacturers' names or catalog numbers to describe the standard of quality, performance, and other salient characteristics needed to meet the town's requirements and which provides for the submission of equivalent products.

**Change order** means any order that changes the original quantities or scope of work.

**Contractual service** means and includes, but shall not be limited to, all gas, water, electric light and power service; towel and cleaning service; and the purchase, rental, repair or maintenance of equipment, supplies and machinery and other town-owned personal property. The term shall not include professional or other contractual services which are in their nature unique and not subject to competition; and insurance and such insurance-related services as consulting, self-funding and claims administration.

**Declared Emergency** means a state of emergency as formally declared by the Mayor, Town Commission, State of Florida, or United States.

**Invitation to Bid (ITB)** is an invitation to contractors or equipment suppliers, through a bidding process, to submit a proposal for a specific project to be realized or product or service to be furnished. The ITB is focused on pricing, and not on ideas or concepts. For the purpose of this chapter, it may also mean all documents, whether attached or incorporated by reference, utilized for soliciting sealed bids. If not stated otherwise, the contractor or supplier with the lowest bid is awarded the contract, provided that they meet the minimum criteria for the bid.

**Invitation to Negotiate (ITN)** is a formal competitive solicitation for the purchase of goods and/or services, where the design of the project is not known and where factors other than price are to be considered in the award determination. These factors may include such items as vendor experience, project plan, design feature(s) of the product(s) offered, the scope of services, etc. Extensive negotiations, with a shortlist of vendors, may be part of the ITN process.

**Materials** means and includes all supplies, inventories, and equipment.

***Professional service*** means services, the value of which is substantially measured by the professional competence of the person performing them, and which are not susceptible to realistic competition by the cost of services alone. Professional services shall include, but not be limited to, services customarily rendered by architects, engineers, surveyors, certified public accountants and financial, personnel, systems, planning and management consultants.

***Proprietary item or service*** means any item or service essential to the day-to-day operation of the town government and when time is of the essence. Proprietary item or service also means any other item or service which, in the judgment of the Town Manager, is not readily available from more than one (1) supplier, manufacturer or person. Proprietary may, when so determined by the Town Manager, be applied to any other material and services that are in their nature unique and/or not readily subject to competition or whereby specifications cannot clearly be drawn or when time is of the essence. See also Sole Source.

***Purchase order*** means a document issued by the finance department that authorizes a purchase

transaction when approved and accepted by both the town and a vendor. A purchase order sets forth the descriptions, quantities, prices, discounts, payment terms, date of performance or shipment, other associated terms and conditions, and identifies a specific vendor. An approved quote, bid, or contract maybe attached and included with any purchase order, as the terms of the purchase order.

**Quote** means an estimated price for any service or material. For purposes of this section, it shall also mean price list, advertised price, or any officially offered price. Quotes may be written or electronic.

**Request for Proposal (RFP)** is a solicitation made through a bidding process, by an agency or company interested in procurement of a commodity, service or valuable asset, to potential suppliers to submit business proposals. The RFP is focused on pricing as well as on ideas or concepts and qualifications. For the purpose of this policy, it may also mean all documents, whether attached or incorporated by reference, utilized for soliciting sealed bids related to a solicitation.

**Responsible bidder** means a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance.

**Responsive bidder** means a person who has submitted a bid which conforms in all material respects to the solicitation.

**Sealed Competitive Solicitation** means a bid, containing prospective price and terms for a contract given to the town by bidders through an open solicitation process, whereby all responses remain sealed until a specific date and time, after which no more responses may be received, are then opened for inspection.

**Sole source** means one (1) vendor, supplier, or contractor that possesses a unique and singular ability to meet the town's requirements for equipment, supplies, or services. The term single source shall take on the same definition as sole source.

**Specifications** means any description of the physical or functional characteristics or the nature of supply or service. It may include a description of any requirement for inspecting, testing, or preparing a supply or service for delivery.

## **Sec. 2-227 – Purchasing Thresholds.**

(a) Purchases shall be made in accordance with the following threshold amounts and processes:

- a. CATEGORY ONE: \$0.01 to \$299.99
  - (1) Purchases may be made in the open market
  - (2) Purchases may be completed with verbal authority of department making purchase
- b. CATEGORY TWO: \$300.00 to \$2,999.00
  - (1) Purchases require at least two quotes
  - (2) Quotes within this category may be received verbally and must be documented prior to submittal.
  - (3) Purchases shall not be completed prior to a Purchase Order being approved by the Department Head
- c. CATEGORY THREE: \$3,000.00 to \$9,999.99
  - (1) Purchases require at least three quotes
  - (2) Purchases shall not be completed prior to a Purchase Order being approved by Finance Officer or Town Manager
- d. CATEGORY FOUR: \$10,000.00 to \$34,999.99
  - (1) Purchases require at least three bids
  - (2) Bid Specifications must be approved by the Finance Officer.
  - (3) Town provided specifications shall be publicly noticed for a minimum of 10 days prior to award.
  - (4) Purchases shall not be completed prior to a Purchase Order being approved by the Finance Officer and the Town Manager
- e. CATEGORY FIVE: \$35,000 and greater
  - (1) Purchases in this category require a formal sealed solicitation as appropriate for the materials or services to be procured according to Sec. 2-229.
  - (2) Purchases shall not be completed prior to a Purchase Order being approved by the Town Manager
  - (3) The Town Manager shall not approve a purchase order without the approval of the Town Commission.
  - (4) *Exceptions.*

The commission may waive bid procedures, under the following conditions:

    - a. Purchases made from the State of Florida term contracts, or Federal GSA Contracts as well as contracts awarded by any local, state, or national government agency, cooperative purchasing organizations, purchasing associations or other professional associations;
    - b. Work prescribed can be made by a business with a valid continuing contract pursuant to F.S. 287.055.
    - c. If for demonstrated good cause shown, the expenditure is best negotiated and is impractical to award on a bid basis.

- (b) No contract or purchase shall be subdivided to avoid the requirements of this section
- (c) Purchases may only be made using the following instruments; Claim Checks, Electronic Claim Checks, Purchase Orders, Purchasing Card, Net Terms billing and Petty Cash under \$50
- (d) Purchases should be made with the same considerations of sec. 2-229(e)
- (e) Bids shall comply with section 2-229 (a).

## **Sec. 2-228 – Exemptions**

- (a) The competitive solicitation requirements identified in Section 227 shall not apply to the following:
  1. Inter-agency agreements and memorandum of understanding between the Town Commission and non-profit organizations or governmental entities;
  2. Services provided by another governmental entity.
  3. Procurement of dues and memberships in trade or professional organizations;
  4. Subscriptions to periodicals and newspapers;
  5. Purchases of CATEGORY FOUR or less from the State of Florida term contracts, or Federal GSA Contracts as well as contracts awarded by any local, state, or national government agency, cooperative purchasing organizations, purchasing associations or other professional associations;
  6. Advertisements;
  7. Postage;
  8. Water, sewer, gas, electrical, and other utility services;
  9. Copyrighted materials;
  10. Fees and costs of job-related travel, seminars, tuition, registration and training.
  11. Parts and service from original equipment manufacturers (OEM)
  12. Items for resale;
  13. Used equipment
  14. Professional medical services;
  15. Recreational service providers;
  16. Procurement of music ensembles (bands), artists, and other entertainment providers;
  17. Amusement parks;
  18. Certified Public Accountants;
  19. Employment agreements;
  20. On-going payments of fees for maintenance and support of existing software/technology which has been purchased via a competitive process in accordance with this division;
  21. Purchase of construction materials included in the scope of an awarded construction contract in order to realize sales tax savings, in accordance with Section 212.08(6), F.S.; Rule 12A-1.094, F.A.C.
  22. Animals;
  23. Abstracts and academic research;
  24. Sole Source Purchases upon certification by the Finance Officer stating the conditions and circumstances necessitating the purchase.
  25. Purchases made under a federal, state, or local declaration of emergency or other emergency purchase as defined in section 2-230.

26. Surplus property by any federal, state, or local entity.

## **Sec. 2-229 – Sealed Competitive Solicitation Procedure**

(a) All bids must be approved in writing by the Finance Officer prior to notice

(b) *Notice*

Competitive Solicitations shall be subject to the following:

1. *Town Hall Posting.* All solicitations shall be advertised by a notice posted on a public bulletin board in Town Hall.
2. *Newspaper.* At least one (1) time in a newspaper of general circulation within the region of the town, calling for sealed bids to be received no earlier than fourteen (14) days from the publication of notice of the notice.
3. *Electronic notice.* Notification of solicitation may be provided electronically provided it is posted at least one (1) time electronically and calls for sealed bids to be received no earlier than fourteen (14) days from the publication of the notice. For the purposes of this section, electronic notice shall mean the posting of the solicitation information to the town's website or through the use of a third party electronic procurement entity.
4. *Bid List.* Notification of solicitation may be sent to the vendors that have registered with the town or with a third party procurement provider selected by the town,

(c) *Bid Opening*

1. Bids shall be submitted in the manner identified in the bid notice.
2. Bids submitted in hard copy form must be sealed and clearly marked as a bid on the exterior of the delivery package. Unsealed bids or bids not clearly marked will be rejected.
3. Bids submitted in hard copy form which is sealed and clearly marked will be time stamped.
4. Bids shall be opened in public at the time and place stated in the bid notice.

(d) *Bid Disqualification*

1. Bid's may be disqualified by the Finance Officer for any of the following reasons:
  - a. Untimely filing of the solicitation documents;
  - b. Failure to meet the minimum qualifications contained in the procurement solicitation;
  - c. Failure to complete and sign any portion of the bid documents
  - d. Failure to submit materials or information required by the bid
  - e. Being listed on any convicted vendor list as provided by the Florida Department of Management Services; or
  - f. Being currently suspended or debarred by the town or any other agency.

(e) *Basis of Award*

1. Award shall be made to the lowest, most responsive, and most responsible bidder. Consideration should be given, but not limited to:

2. The ability, capacity and skill of the bidder to perform under the terms of the solicitation documents.
3. The quality of workmanship and performance of previous services to the town and/or other entities.
4. The previous compliance by the bidder with laws and ordinances of the town.
5. Timeliness of delivery or completion.
6. When the award is not given to the lowest responsive bidder, a statement of the reason for awarding the solicitation elsewhere shall be prepared and made a part of the record.

(f) *Bid Acceptance*

1. The Town Commission shall have the authority to accept any bid, reject all bids, or reject parts of all bids.
2. The Town Commission may award the entirety of, or individual parts of a bid to multiple responsive and responsible bidders

(g) *Bid Protest*

1. A respondent who is disqualified for any reason outlined in section 2-229(c) shall not have the right to protest the disqualification.

(h) *Other Solicitation types*- The town commission may approve the use of other solicitation methodologies such as Request for Proposals, Request for Qualifications, Request for Information and Invitations to Negotiate as prescribed by request of the Town Manager.

**Sec. 2-230 – Emergency Procurement**

- (a) Subject to requirements of section 4.08 of the town charter, Emergency purchases may be made from any unencumbered funding source as follows:
- (b) In the event of a federal, state, or local declaration of emergency, normal purchasing procedures and requirements shall be suspended, and the following procedures shall apply:
  1. The Town Manager shall be authorized to make any purchases he finds necessary to the continued operations of the town.
  2. If the cost of any purchase would have normally fallen within CATEGORY FOUR or CATEGORY FIVE, a full report of such purchase shall be made to the Town Commission at the earliest available commission meeting.
  3. Waiver of purchasing procedures shall only pertain to purchases directly related to the emergency and restoration operations. At the time the declaration of emergency is lifted, normal purchasing procedures will resume.
- (c) In the event of a situation which does not rise to the level of a declaration of emergency, but has a detrimental impact on the safety and operations of the town if not rectified immediately,
  1. The Town Manager shall be authorized to make purchases he finds necessary to alleviate the safety or operational issue.
  2. If the cost of any purchase would have normally fallen within CATEGORY FOUR or CATEGORY FIVE, a full report of such purchase shall be made to the Town Commission at the earliest available commission meeting.



3. Such purchases are limited to those directly associated with the specific issue.

#### **Sec. 2-231 – Change Orders**

- (a) Change orders are required and subject to approval for all changes affecting the original purchase order such as quantity increases, that reflect a 5% difference in the original unit price or the overall dollar value.
- (b) Change orders shall require approval by the same means as the original purchase threshold.
- (c) Change orders that cause a contract or purchase order to extend into the next purchasing threshold shall require approval by the same means as the higher threshold
- (d) Change order requests that exceed 5% for CATEGORY FIVE or higher shall require approval by the Town Commission.
- (e) No change order will be approved if there are insufficient appropriated, unencumbered funds.