



PURCHASING PROCEDURES

2011

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City of Lawrence

PLACEMENT OF ORDERS

All purchases over \$1,000 require a purchase order. Authority for making purchases for the City for less than \$1,000 rests with the individual departments. Purchases over \$1,000 must be approved by the City Manager.

FORMAL BIDS

Lawrence's administrative policy requires that all purchases in excess of \$15,000 must be placed through competitive bidding. This includes internal capital improvement purchases. All requests for bids will be advertised in the City's official newspaper, the *Lawrence Daily Journal World*, and will be published once. They will also be placed on the City's web page. Formal sealed bids must be submitted in accordance with the terms of the Invitation to Bid. Authorization of bid openings will be made to all bidders. All bids are awarded by City Commission approval. The City Commission reserves the right to refuse all or any part of a bid when it is in the best interest of the City.

F.O.B.

All prices should be quoted F.O.B., Lawrence, Kansas.

TAXES

The City of Lawrence is tax exempt as a political subdivision under Section 4221 (b) of the Internal Revenue Code and K.S.A. 79-3606(b). Exemption certificates will be provided upon request. Payments for goods purchased for use by the water division of the Utilities Department are not exempt, unless they become part of the product sold.

PAYMENT

Payments to vendors are made weekly. Normally, vendors are paid 30 days from invoice date. Discounts for earlier payment will be taken provided that the invoice has been approved. Advanced payments can only be authorized by the Finance Director or designee. Advanced payments on purchases using Federal funds must have written authorization by the Federal agency before advanced payment is made.

All invoices should be submitted to:

Accounts Payable
City of Lawrence
P.O. Box 708
Lawrence, Kansas 66044

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CHAPTER 1: GENERAL PROVISIONS

1.1 Purposes

The underlying purposes of this manual are:

1. To simplify, clarify, and modernize the procedures governing purchasing by the City;
2. To encourage the continued development of purchasing policies and practices;
3. To provide for increased public confidence in the procedures followed in City purchasing;
4. To ensure the fair and equitable treatment of all persons who deal with the purchasing system of this City;
5. To provide increased economy in City purchasing activities and to maximize the purchasing value of City funds;
6. To foster effective broad-based competition; and
7. To provide safeguards for the maintenance of a purchasing system of quality and integrity.
8. When using federal funds, the City of Lawrence Transit Department shall perform a cost or price analysis in connection with every procurement action, including contract modifications.

1.2 Application to City Procedures

This manual shall apply to every expenditure of City funds under any contract, except that the provisions of this manual are subordinate to the purchasing requirements of any grant or contract between the City and other governments, and subordinate to any federal, state, or city law governing city purchasing. This manual shall not prevent the City from complying with the terms and conditions of any grant, gift, bequest, or cooperative agreement. When purchasing property and services under a Federal grant the City will follow the same policies and procedures it uses for procurement from its non-federal funds. The City will ensure that every purchase order or contract includes any clauses required by Federal statutes and executive orders and their implementing regulations including but not limited to Disadvantaged Business Enterprise (DBE) Policy, Buy America, and all requirements in FTA Circular 4220.1E – Third Party Contracting. These required federal contract clauses are also listed in Appendix G.

1.3 Authority of the Finance Director

1. Central Purchasing Officer of the City. The Finance Director shall serve as the central purchasing officer for the City. Consistent with the provisions of this manual, and with the approval of the City Manager, the Finance Director may adopt operational procedures governing the purchasing system.
2. Duties and Responsibilities. The Finance Director shall, under the supervision of the City Manager:
 - a) Purchase or supervise the purchasing of all supplies, services, and construction needed by the City;
 - b) Exercise general supervision and control over all inventories.
 - c) Sell, trade, or otherwise dispose of surplus supplies belonging to the City;
 - d) Approve user department programs for the inspection, testing, and acceptance of supplies, services, and construction.

1.4 Authority of Purchasing Agent

Shall work under the direction of the Finance Director and shall be responsible for the daily operations of the Purchasing Division.

1.5 Delegation of Authority by the Finance Director

Subject to the regulations of the City Manager, the Finance Director may delegate authority to designees or to any department.

1.6 Responsibilities of Department Heads

In accordance with this manual, the department head or designee shall:

1. Inform departmental personnel of the purchasing requirements and ensure adherence.
2. Plan purchases under \$15,000 in order to allow the department *sufficient time* to obtain proposals or quotations, determine best vendor, and issue orders or contracts with reasonable lead time for delivery; and, eliminate avoidable emergencies.
3. Provide accurate and complete information on items requested and timely preparation of requisitions.
4. Prepare item descriptions and assist the Purchasing Division in negotiation for supplies, services or construction when requested; and, suggest possible vendors.
5. Furnish the Purchasing Division with complete specifications for supplies, services or construction for purchases over \$15,000.
6. Designate, with approval of the Finance Director, certain employees authority to make requests to purchase certain items.
7. To inspect or supervise the inspection of delivered supplies, services and constructions and, determine acceptableness of their quality, quantity, and conformance with specifications.

1.7 Collection of Purchasing Data

The Finance Director shall cooperate with all Departments in the preparation of statistical data concerning the purchase, usage, and disposition of all supplies, services, and construction, and employ such trained personnel as may be necessary to carry out this function. All Departments shall furnish such reports as the Finance Director may require concerning usage, needs, and stocks on hand, and the Finance Director shall have the authority to prescribe forms to be used by Departments in making purchase requisitions, in ordering, and in reporting of supplies, services and construction.

For competitive sealed bidding, the user departments are to inform the Purchasing Department of the items they wish to purchase. They are also responsible for submitting specifications far enough in advance to allow for review by Purchasing Agent prior to mailing. All vehicle specifications must also be reviewed by the Central Maintenance Garage.

Bid packages are not mailed to the vendors until they have been reviewed and approved by the Dept., Purchasing Dept., Central Garage (if applicable) and Finance Director.

The following time schedule outlines the steps in competitive bidding:

- Request for bid date on public improvement projects and final bid specifications due to Purchasing Agent at least two weeks prior to requested bid date
- Bid packages will be mailed on Wednesday; official notice sent to the Lawrence *Journal World* for publication and the bid placed on the City's web page.
- All bids are due in City Clerk's Office before 2:00 PM on Tuesday of bid opening day.
- Bids will be opened on Tuesday after 2:00 PM in the City Commission Room at least two weeks after they are mailed to the vendors. They shall be read by the City Clerk or his designee and recorded by the Purchasing Agent or designee.
- Bid results shall be placed on the City's web page by the Purchasing agent.
- Bids will be reviewed by user department and returned to Purchasing Agent by 3:00 p.m. on the Wednesday following bid opening.
- Bid tabulations and the recommendation will be made and sent electronically to the City Manager's Office to be placed on the City Commission Meeting Agenda.

1.8 Public Access to Purchasing Information

Purchasing information shall be a public record to the extent provided in the Open Records Act, K.S.A. 45-216 et seq. and K.S.A. 12-120 et seq., and shall be available to the public and retained as provided in such statutes.

Grant Records. Per Circular 4220.1E, the City will maintain and will require subgrantees to maintain records sufficient to detail the significant history of the procurement including the percentage of Federal participation in the purchase of assets. They must make available upon request of the awarding agency, technical specifications of proposed procurements, purchase orders, quotations, contracts and related documents for at least five (5) years from the date on which they are closed or for the life of the equipment.

1.9 Definitions

The words defined in this Section shall have the meanings set forth below whenever they appear in this manual:

1. **Best Value** is a selection process in which proposals contain both price and qualitative components, and award is based upon a combination of price and qualitative considerations. Qualitative considerations may include technical design, technical approach, quality of proposed personnel, and/or management plan. The award selection is based upon consideration of a combination of technical and price factors to determine {or derive} the offer deemed most advantageous and of the greatest value to the procuring agency.
2. **Bid** means an offer, as a price, whether for payment or acceptance. A bid can either be an offer to the City by a vendor or a buyer.

3. **Bid Security** means a guarantee, in the form of a bond or deposit, that the bidder, if selected, will sign the contract as bid; otherwise the bidder (in the case of a deposit) or the bidder or their guarantor (in the case of a bond) will be liable for the amount of the bond or deposit.
4. **Change Order** means a written order signed by the Finance Director or designee, directing the contractor to make changes in the contract.
5. **Compost Products** means mulch, soil amendments, ground cover, or other landscaping material derived from the biological or mechanical conversion of cellulose-containing waste materials.
6. **Construction** means the process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings or real property.
7. **Contract** means all types of City agreements, regardless of what they may be called for the purchase or disposal of supplies, services, or construction.
8. **Contract Modification** means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.
9. **Contractor** means any person having a contract with the city.
10. **Cost-Reimbursement Contract** means a contract under which a contractor is reimbursed for costs which are allowable and allocable in accordance with the contract terms and the provisions of this manual, and a fee, if any.
11. **Department** means any office or department of the City that utilizes any supplies, services or construction purchased under this manual.
12. **Design-Bid-Build** refers to the project delivery approach where the grantee commissions an architect or engineer to prepare drawings and specifications under a design services contract, and separately contracts for at-risk construction, by engaging the services of a contractor through sealed bidding or competitive negotiations.
13. **Emergency Purchases** means purchasing of supplies, services, or construction where the urgency of need does not permit the delay in utilizing formal competitive selection methods. The City Manager or a designee may make or authorize others to make emergency purchases when there exists a threat to public health, welfare or safety or a threat of losses or damage to City equipment or property under emergency conditions provided that such emergency purchases shall be made with such competition as is practical under the circumstances.
14. **Employee** means an individual covered by the City's Employee Handbook.

15. **Environmentally Preferable Products** means products that have a lesser impact on human health and the environment when compared with competing products. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, and/or disposal of the product.
16. **FTA** refers to the Federal Transit Administration, an agency of United States Department of Transportation.
17. **Grantee**" means the public or private entity to which a grant or cooperative agreement is awarded.
18. **Invitation for Bids** means all documents, whether attached or incorporated by reference, utilized for soliciting bids.
19. **Local Business** is a business that has been established for at least six months within the city limits of Lawrence. The location of the business shall not include a post office box, a residential location, a hotel or motel.
20. **May** denotes the permissive.
21. **Piggybacking** is an assignment of existing contract rights to purchase supplies, equipment, or services.
22. **Practicable** means sufficient in performance and available at a reasonable cost
23. **Project Exemption Certificate** is a certificate allowing contractors to purchase materials and supplies tax exempt when used on City projects.
24. **Public Improvement Projects** are infrastructure and building related projects.
25. **Purchasing** means buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction, including description of requirements, selection and solicitation of vendors, preparation and award of contract, and all phases of contract administration.
26. **Purchase Description** means the words used in a solicitation to describe the supplies, services, or construction to be purchased, and include specifications attached to, or made a part of, the solicitation.
27. **Purchase Requisition** means that document whereby a User Department requests that a contract be entered into for a specified need, and may include, but is not limited to, the technical description of the requested time, delivery schedule, transportation criteria for evaluation, suggested vendors, and information supplied for the making of any written determination required by this manual.
28. **Reasonable Cost** means competitive cost plus up to 5 percent.

29. **Recycled Products** are products manufactured with waste material that has been recovered or diverted from solid waste. Recycled material may be derived from post-consumer waste (material that has served its intended use and been discarded by a final consumer), industrial scrap, manufacturing waste, or other waste that would otherwise have been disposed of.
30. **Request for Sealed Proposals** means all documents, whether attached or incorporated by reference, utilized for soliciting proposals.
31. **Request for Quotation** means an informal offer or bid containing price and other terms made by a vendor in writing, by telephone, or verbally.
32. **Responsible Bidder of Offeror** means a person who has the capability in all respects to perform fully the contract requirements, and the tenacity, perseverance, experience, integrity, reliability, capacity, facilities, equipment, and credit which will assure good faith performance.
33. **Responsive Bidder** means a person who has submitted a bid which conforms in all material respects to the Invitation for Bids.
34. **Services** means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports which are merely incidental to the required performance.
35. **Shall** denotes the imperative.
36. **Sole Source of Supply** means there is only one source for the required supply, service, or construction item due to uniqueness of the product, quality or performance of the item, or need to maintain uniformity with past purchases.
37. **Specification** means any description of the physical or functional characteristics, or of the nature of a supply, service, or construction item. It may include a description of any requirement for inspection, testing, or preparing a supply, service, or construction item for delivery.
38. **State** refers to State of Kansas located in the United States of America or any agency or instrumentality of the State of Kansas exclusive of local governments.
39. **Supplies** means all property, including but not limited to equipment, materials, printing, insurance, and leases of real property, excluding land or a permanent interest in land.
40. **Surplus Supplies** means any supplies no longer having any use to the City. This includes obsolete supplies, scrap materials, and nonexpendable supplies that have completed their useful life cycle.
41. **Third party contract** refers to any purchase order or contract awarded by a grantee to a vendor or contractor.
42. **Vendor** means a seller of supplies, services, and construction.

CHAPTER 2: PURCHASING PROCESS

2.1 General Purchasing Process

The following purchasing process will be generally complied with from requisition through receiving.

1. Department determines requirements.
2. Department is responsible for obtaining at least 3 quotes for the items and/or services to be purchased over \$1000. In the case of contractor and construction type services less than 3 quotes may be acceptable for purchases less than \$2500 provided that the department can document past difficulty in obtaining 3 quotes for the service.
3. Department prepares requisition for items over \$1,000 by utilizing the on-line computer requisition system, entering such items as:
 - a) item description
 - b) quantity unit cost
 - c) vendor
 - d) budget account number
 - e) quotes obtained.
4. Requisition is approved by authorized department personnel
5. Purchasing agent reviews requisition verifying information is correct and account number is valid and appropriate.
6. The following person(s) are authorized to approve contract awards for the amounts stated:
 - a) Department Head or designee - \$1000.00 or less
 - b) Finance Director or Purchasing Agent - \$1,000.00 or less
 - c) City Manager - \$15,000.00 or less (City commission approval is required for purchases over \$15,000.00 except for when the City Commission delegates this authority).
7. Purchase Order or other contract is executed.
8. User department verifies receipt of order in good condition to the Accounts Payable Division.
9. Payment of claims as made in accordance with K.S.A. 12-105a,b.

2.2 Requisition (Over \$1,000)

1. Purpose. The requisition is designed to assist the user departments in initiating the first step in the purchasing process. It shall be used by the department to:
 - a) Inform the Department of Finance of anticipated expenditure.
 - b) Advise the Purchasing Agent of the need to purchase supplies, services and construction over \$1000.
 - c) Request authorization to purchase their items.A requisition shall be initiated with sufficient time to allow adequate time for review and preparation by the Purchasing Division.
2. Preparation. Except as provided in subsection 1, any department wishing to make a purchase over \$1000 will prepare an on-line requisition which should contain at least the following information:
 - a) Department making the request.
 - b) Date prepared and date needed.
 - c) Location for delivery of goods.

- d) Purchase description and specifications of items and amounts required.
 - e) Suggested vendor.
 - f) Budget Account Number.
3. Processing. The requisition is sent to the purchasing division via on-line computer system. The purchaser verifies the availability of funds, the adequacy of specifications and determines whether or not additional quotes are needed. If the account lacks sufficient funds, the department head may drop the request or request a transfer of budget authority.

2.3 Purchase Orders

Purchase orders will only be issued for items costing in excess of \$1000 or in situations where one is required by the vendor or other City policy. Purchase orders will be processed using the on-line system and may be emailed, mailed, or faxed to the vendor if requested. It is optional for the department to print and keep a paper copy of the purchase order.

1. Purpose. The executed Purchase Order is the City's order authorizing the vendor to deliver the specified supplies, services, or construction. Information contained on the Purchase Order shall be stated clearly and completely to avoid misunderstandings and unnecessary follow-up correspondence with vendors. Only the Purchasing Division shall prepare the Purchase Order.
2. Small purchases costing \$1000.00 or less. Upon receipt of the merchandise the invoice will be delivered to accounts payable for processing. The use of a purchase order for small purchases should be limited to only the vendors that require a purchase order and to inventoried items.
4. Blanket Purchase Orders. Blanket purchase orders are used upon approval of the Finance Director, for those vendors from whom many repetitive purchases are made as supplies are required and amounts exceed \$1000 per month. Rather than issue a purchase order for each purchase, one purchase order is issued for a period of time, depending on quantity and/or the time span for which the items are needed, but not to exceed six months. Blanket purchase orders shall stipulate the items covered and the time period. Blanket purchase orders shall not be used to circumvent competitive bidding. Frequently, the user department shall summarize the transaction(s) along with supporting documents such as signed counter tickets bills of lading, etc., and forward to Accounts Payable for payment indicating the appropriate blanket purchase order number.
5. Year End Purchasing. After the cut-off-date, no purchases over \$1,000 are to be made for any goods or services without the knowledge and approval of the City Manager's Office. These purchases should be emergency purchases only.

2.4 REWARDS POINTS

Some vendors offer rewards points on purchases made at their establishment. The City's phone number, 832-3000, should be provided to the vendor to ensure the City will receive the points for that purchase. Periodically rewards cards are sent to Finance to distribute to departments. It is against the City policy and is unethical for employees to receive points or rewards cards as the result of City purchases.

2.5 Project Exemption Certificates

1. Apply for Project Exemption Certificate. For any project \$2000 and over the Department issuing a purchase order may request a Project Exemption Certificate from Purchasing in Finance. Upon receipt of the signed purchase order the issuing department must fill out and send a Request for Project Exemption form, found on the intranet. The form shall be sent to Purchasing electronically or by inter departmental mail. Purchasing shall apply for the Project Exemption Certificate from the State of Kansas on-line. The Exemption Certificate along with the Completion Certificate shall be electronic sent to the requesting department. Purchasing shall keep a copy of the Project Exemption Certificate along with the request on file. The department shall provide a copy of the Project Exemption Certificate and Project Completion Certificate to the contractor.
2. Changes in Contract. If changes in the amount or completion date are made to the contract the Finance Department must be notified by email of the changes. The Finance Department must amend the Project Exemption Certificate and Project Completion Certificate. The amended certificates shall be sent electronically to the issuing department. The issuing department shall supply the contractor with the amended copies.
3. Project Completion . Upon completion of the project the contractor shall supply a signed and dated Project Completion Certificate to the issuing department. The issuing department shall send the copy electronically or by inter departmental mail to Purchasing. Purchasing shall mark the Exemption Certificate complete on line.

2.6 Change Orders

Significant changes to purchases are considered whenever the change is 10% over the original purchase order amount. Any significant change requires a change order. If the cumulative amount of the changes increase the purchase order by more than \$15,000 City Commission approval is required.

To more closely monitor construction project change orders, bids must be written in a way that can clearly define what the change is and how much the increase or decrease should be. Bids should request quantities such as linear feet, square feet, cubic yards, etc. and never a lump sum.

Contracts for projects over \$15,000 may be awarded with a percentage contingency amount set by the City Commission. The percentage amount awarded shall depend on the scope and complexity of the project. Any request for expenditures exceeding the contingency amount shall require City Commission approval for the additional funds.

Extra work beyond the original project scope requires City Commission approval. The contract with the vendor should include language that describes the change order process.

2.6 Receiving

1. Purpose. The Department verifies actual receipt of supplies, services and construction in good condition, and are of the specified quantity and quality to the Accounts Payable Division. This verification should be done as soon as possible so the City can receive any payment discounts offered for prompt payment. Payment shall not be made until the verification is received by Accounts Payable and the purchase order is checked against the invoice.
2. Inspecting and Testing. Inspection and testing of delivered items usually occurs at the time of delivery or pickup by the department. The department may not have the technical knowledge or facilities to perform adequate inspection and/or testing; but, will attempt to observe obvious defects or shortcomings. Departments shall exercise reasonable care to insure that the quantity and quality of the delivered goods are as ordered.
3. Partial Shipments. If receiving verification forwarded to the Accounts Payable Division indicates only a partial shipment has been received, the invoice will be compared with the partial receiving verification, and if they agree, partial payment will be made.

CHAPTER 3: STANDARDIZATION AND SPECIFICATIONS

3.1. Purpose

It is important that items be standardized and purchased in accordance with carefully drawn specifications.

1. Use of Standardization. Standardization takes advantage of lower prices from buying in bulk. It also lowers the administrative cost of purchasing by reducing the total number of purchases made. Standardization consists of consolidating similar requirements into a single specification.
2. Use of Specifications. Specifications are a clear and complete description of the essential requirements which items should meet. All specifications shall seek to promote overall economy to the purposes intended and encourage competition in satisfying the City's needs and shall not be unduly restrictive. Specifications should be regularly updated to reflect technological changes.

3.2 Types of Specifications

Most specifications shall have the characteristics of one or more of the following types: (listed from more to less desirable)

1. Open specification - a description of all physical and functional features which may incorporate words or phrases from widely accepted industrial or governmental specifications which have been developed and approved in accordance with the procedures outlined in Section 3.3.
2. Design Specification - describes in detail a precise configuration, measurement, tolerance, material, standard or a method of testing or inspection.
3. Performance Specification - describes a result of capability to be achieved by an item such as speed, output, maintainability, or reliability.
4. Sample Specification - requires match of sample submitted to vendors; sometimes entails substantial inspection and testing to determine actual match.
5. Equal Products Specification - uses a brand name or trade name as a descriptive term or definition as a requirement; with a phrase "or equal". Opens way to controversy as to what is "equal".
6. Multi-Products Specification - names two or more specific products. Often an unfairly limit competition.
7. Single Products Specification - designates only one manufacturer brand, trade name or catalog number which denies competition. Sometimes, this can not be avoided where highly technical or specialized products are required.

3.3 Specification Development

1. Department - Shall determine its needs; research available and alternative products by means of manufacturer product brochures, consultation with purchasing agent and/or contracts with salespersons; and prepare and compile purchase description that can be incorporated into a specification format. If vehicle or mobile equipment, the Garage Manager shall have input into the departments' research. To the extent practicable, similar specifications of governmental units and commercial trade organizations should be used. The benefits of simplification, standardization, and interchangeableness of equipment and spare parts should be evaluated.
2. Preparation and Approval of Specifications. All specifications and revisions to specifications shall be prepared and issued by the Department. If outside professional assistance is utilized in preparing specifications for items of a specialized or technical nature, they also shall adhere to the nonrestrictiveness purpose when preparing specifications.
3. Review of Specifications. The Purchasing Agent shall review all draft specifications to provide comments. Comments on the draft have had a reasonable opportunity to comment, the Purchasing Agent returns the draft of the standard specifications to the Department for preparation of the final draft. The Department and the Director of Finance shall give their approval before a final draft is issued.

CHAPTER 4: VENDOR SELECTION AND CONTRACT FORMATION

4.1 Methods of Vendor Selection

Unless otherwise authorized by law, the methods of vendor selection shall be as provided in Sections 4.2 through 4.5.

Purchasing requirements *shall not* be artificially divided so as to constitute a smaller purchase to avoid a more competitive method of vendor selection.

4.2 Competitive Sealed Bidding - \$15,000 or more

1. Conditions for Use. Contracts exceeding \$15,000 shall be awarded by competitive sealed bidding unless it is determined by City Manager that this method is not practical. Factors to be considered in determining whether competitive sealed bidding is or is not practical shall include whether:
 - a) Specifications can be prepared that permit awarded on the basis of either the lowest or the lowest evaluated bid price; and,
 - b) The available sources, the time and place of performance, and other relevant circumstances that are appropriate for the use of competitive sealed bidding.
2. Set bid date. The bidding department shall get approval to obtain bids and set the bid date on public improvement projects from the City Commission.
3. Invitation for Bids. An Invitation for Bids shall be issued and shall include a purchase description, the equal opportunity statement (see appendix A) and all contractual terms and conditions applicable to the purchase.
4. Public Notice. Adequate public notice of the invitation for Bids shall be given by mailing to as many prospective bidders as reasonable and posting the Notice To Bidders on the City's web page. Such notice shall also be published at least once in the official city newspaper allowing reasonable time prior to bid opening. The notice shall be filed with the City Clerk and be open to public inspection. When purchases are made with Federal grant funds the department must take any necessary steps to contact small and minority firms, women's business enterprises and labor surplus area firms if relevant.
5. Bid Opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, and other relevant information, together with the name of each bidder shall be recorded. The record of bids shall be open to public inspection.

6. Bid Acceptance and Bid Evaluation. Bids shall be unconditionally accepted without alteration or correction, except as authorized in this manual. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids, which may include criteria to determine acceptability, such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria affecting bid price, such as discounts, transportation costs, and total of life cycle costs should be requested in the Invitation for Bids. No criteria may be used in bid evaluations that are not set forth in the Invitation for Bids. Award will only be made to the lowest responsive and responsible bidder whose bid conforms to the solicitation and whose bid is considered to be most advantageous to the City. Consideration will be given to such matters as record of past performance, compliance with licensing and regulatory requirements, and financial and technical resources.

7. Local Preference. A responsible bid from a local business entity that is no more than one percent (1%) and no more than \$10,000 higher than the lowest responsible bid may be preferred over the lowest responsible bid; or If all aspects of a responsible bid from a local business entity are equal to the responsible bid from a non-local business entity, the local business entity may be preferred.

Local preference shall apply to all bids equal to or greater than \$15,000 except:

- a) When bids in which Federal funds or other funds are used that prohibit the application of the preference.
 - b) On construction or reconstruction of public improvements
 - c) On cooperative purchasing agreements or contracts in which the City participates.
 - d) If a business entity has any outstanding liens, fines or violations with the City of Lawrence
8. Tie Bids: In cases where there are tie bids and both qualified bidders meet specifications the bidding department shall evaluate the work experience and performance of the two bidders to determine the most qualified. The most qualified shall be awarded the bid.
9. Correction or Withdraw of Bids: Cancellation of Awards. Correction or withdrawals of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted after authorization by the City Manger. After bid openings no changes in bid prices or other provisions of bids prejudicial to the interest of the City or fair competition shall be permitted.
10. Award. The contract shall be awarded or rejected with reasonable promptness. Award will be made to the lowest responsible bidder who submits a responsive bid which is most advantageous to the City.

For Federal projects with an aggregate value of \$500,000 or more, announcements regarding contract awards shall specify the percentage of the total cost and the amount of the Federal funds used to finance the acquisition.

11. Protests. Any protest must be submitted in writing. All protests shall clearly state the name of the protester, bid title, and number. The protest must be fully supported by technical data or other pertinent information that will delineate why the protest is being lodged. Any protest of award must be received no later than five (5) working days after receipt of the award, unless a longer period is required as a condition of a grant agreement.

The City of Lawrence's objective is to resolve all formal protests as soon as practical. Nothing in this procedure should be construed as requiring a formal protest if a vendor wishes to clarify or discuss standards or procedures relating to the procurement process.

The City of Lawrence shall respond to the protest within five (5) working days. The decision rendered by the City Manager shall be the final decision of the City of Lawrence and the City of Lawrence will take no further action on the protest.

4.3 Purchasing Procedures - over \$1000

1. Conditions for Use. Contracts may be competitively negotiated when one of the following conditions apply.
 - a) Purchase value is less than \$15,000 with the discretion of City Manager. To the extent possible, the department designee shall request quotations from at least three (3) qualified vendors. These may be requested in person or by telephone, fax, e-mail, Internet and/or in writing. The City Manager may require competitive bidding for items under \$15,000.
 - b) Purchases of contractor/construction type services not to exceed \$2,500 may be secured without competitive quotations if the prices are considered to be reasonable. (see 2.1.2)
 - c) When the purchase value is over \$15,000 and it is determined by the City Manager that the use of competitive sealed bidding is either not practical (see 4.2.0) or economic considerations preclude using formal solicitation and negotiation procedures. In such cases quotations shall be requested from a reasonable number of qualified vendors by a method approved by the City Manager.
 - d) When the purchase value is over \$15,000 a contract may be entered into by competitive sealed proposals under certain conditions. Generally, competitive sealed proposals, may be used under the following conditions:
 - 1) The purchase is for professional services (See Chapter 5)
 - 2) The purchase is for technical or non standard supplies.
 - 3) The purchase is of complex services.
2. Competitive Proposals Procedures:
 - a) Sealed proposals shall be solicited through a Request for Proposals. The Request for Proposals shall state the relative importance of price and other evaluation criteria.

- b) Adequate public notice of the Request for Proposals shall be given in the same manner as provided in Section 4.2 (Competitive Sealed Bidding, Public Notice).
- c) Sealed proposals shall be opened so as to avoid disclosure of contents to competing offerors during the process of negotiation.
- d) As provided in the Request for Proposals, discussions may be conducted with responsible offerors for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of sealed proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers.
- e) Award shall be made to the responsible offeror whose sealed proposal is determined to be the most advantageous to the city taking into consideration price and the evaluation criteria set forth in the Request for Proposals.

4.4 Purchase Procedures - \$1000 or less

1. Conditions for use. Purchases not to exceed an aggregate amount of \$1000 may be accomplished without securing competitive quotations if the prices are considered to be reasonable. However, departments should verify the competitiveness of the prices on a regular basis. At least every three years, the Purchasing Agent shall review prevailing costs of labor and materials and recommend revision of this aggregate amount if justified by intervening changes.
2. Purchasing Cards. Purchasing cards are issued at the request of individual departments by filling out an Action Request Form posted on the intranet. Due to liability concerns, cards must be issued to individuals rather than to departments or divisions. Cards may only be used by the individual to whom the card was issued. To be eligible to receive a card, you must have the authority to purchase goods, materials, and services on behalf of the City. Employees are expected to follow the Purchasing Card Guidelines posted on the intranet.

Purchasing Cards are not intended to avoid or bypass appropriate purchasing or payment procedures, therefore the cardholder needs to have proper authorization before purchases are made. The City of Lawrence Visa Purchasing Card can be used anywhere Visa cards are accepted (barring any program restrictions placed on individual cards), therefore most small dollar items or services, such as books, subscriptions, and supplies, can be purchased with the card.

- a) Purchasing Card Restrictions:
 - Transaction limit of \$1000
 - Maximum transactions allowed per day is five
 - Maximum dollar limit per cycle of \$5,000
 - Some employees, depending on their position, may be allowed larger limits with special permission from the City Manager.
 - No Cash Advances
 - No Liquor Stores
 - Other restrictions may apply to individual cards, depending on the needs of the cardholder and the desires of the department.
 - b) Cardholder Agreement: Before a purchasing card is issued, the cardholder must sign the Purchasing Cardholder Agreement posted on the intranet. This agreement details the responsibilities of the cardholder and possible consequences of misusing the purchasing card.
 - c) Account Reconciliation: Cardholders are responsible for retaining all receipts. At the end of each billing cycle, Accounts Payable downloads the individual statements into the VEGI program on the Intranet and electronically sends notification to the cardholders that their transactions are ready for approval. The cardholder or designated employee in each department approve the transactions and send the receipts and transaction statement to their supervisor for approval. The City Manager's purchases and the City Auditor's purchases must be approved by the Mayor and the Mayor's purchases must be approved by the Vice Mayor. All approved transaction statements and receipts must then be forwarded to Accounts Payable for payment.
 - d) To help ensure employees understand the City's purchasing policy, once a year employees shall take an on line questionnaire. Employees are expected to answer at least 80% of the questions correct.
3. Petty Cash. The Petty Cash fund (\$450.00) may be used for the purchase of miscellaneous small items of supplies or equipment not exceeding \$75.00 without prior approval of the Finance Director. The department head or supervisor must approve the expenditure. The employee must sign a voucher stating receipt of the money. The voucher and receipt are filed together. The maximum amount and purposes of the Petty Cash fund is created by City Resolution pursuant with K.S.A. 12-171. (Also see K.S.A. 12-825a concerning Petty Cash fund for City water works.)
4. On-line purchasing. It is recommended for employees intending to purchase equipment or supplies on line to:
- a) Confirm the online seller's physical address and phone number in case there are questions or problems. Be wary if the seller's only contact information is a post office box. The owner of the website can be found by using the "WHOIS" website. Type in the web domain of the company in question at <http://www.whois.net/>
 - b) Keep records in Outlook of your on-line transactions including the product description and price. Save the online receipt, and copies of every email you send or receive from the seller.

- c) Do not email financial information. Email is not a secure method of transmitting financial information such as credit card numbers. Companies typically need the name on the credit card, the card type (Visa, Master Charge, etc), the billing address and zip code, and some vendors will ask for the three-digit number on the back of the card. Do not respond to unsolicited emails.
 - d) Ensure the security of the web site. The web address on the page that asks for the credit card number is secure if the web URL begins with "https:" instead of "http." An indication of a secured site is also a yellow or golden closed lock or an unbroken key at the bottom of the browser window. Type the web site addresses rather than clicking on a link.
 - e) Many web merchants allow a phone in option. Employees may order online by giving credit card information over the phone.
 - f) Read the refund/return and privacy policy before ordering.
5. Purchases under \$1000. The use of a purchase order for purchases under \$1000 is mandatory for inventoried items otherwise, no other purchase orders will be produced for items under \$1000 unless required by the vendor. In cases where vendors do not take the City's purchasing card, payment from an invoice will be accepted.
6. End of the year purchasing. Purchases under \$1,000 should be limited to essential purchases and should be made using a blanket purchase order or a Visa card. These purchases can be made up until the last day of the year provided departments have funds available and purchases are for use in the current year. The use of a purchase order is strongly recommended if payment is likely to be made in January or February of the following year.

4.5 Noncompetitive Selection

- 1. Condition for Use. A contract may be awarded for a supply, service, or construction item without competition as determined under the following circumstances:
 - a) Price established by law.
 - b) Emergency purchases.
 - c) Resale purposes.
 - d) Purchase from another governmental unit at a price deemed less than commercially available.
 - e) Sole source of supply.

4.6 Sole Source Guidelines

The following information is intended to establish the guidelines the City of Lawrence will apply when determining if a vendor qualifies as a sole source provider.

The definition of a sole source provider in the City of Lawrence Purchasing Procedures is:

“There is only one source for the required supply, service, or construction item due to uniqueness of the product, quality or performance of the item, or need to maintain uniformity with past purchases.”

The City of Lawrence will follow these guidelines when considering a vendor to be a sole source supplier.

- **Parts from original manufacturer** – Considered as sole source only when there are no other suppliers and quality reproduction parts are unavailable, or as a condition of warranty.

NOTE:

Many times departments send requests for sole source purchases that describe an item made only by one manufacturer, however the item is distributed and readily available from many different suppliers. So it does not qualify for sole source. It has a sole manufacturer, but not a sole supplier. As long as there is more than one potential bidder or offeror for the goods and services there is no justification for a sole source determination.

- **Under contractual agreement** – Considered to be sole source only during the term of the agreement. The contract should specify the cost of parts or services so they are known at the time of the contract execution.
- **To match or to maintain uniformity** – This exception relates to goods that have a unique appearance or properties that can't be satisfactorily duplicated by competitors.
- **Where compatibility of equipment, computer software, replacement parts or service is the principal consideration** – Considered to be sole source when applications are complex and interrelated, making it difficult to use alternatives.
- **When a sole supplier's item or product is needed for trial use or testing** – This should apply rarely and for specific, pre-approved applications.
- **When no other provider of the good or service is available** – This would occur only when the vendor is the only provider of the good or service and no acceptable substitution can be located.
- **When a cooperative purchase is made** – This would occur if the City belongs to an organization or is purchasing using a cooperative contract. In this case the organization holding the cooperative contract has received quotes or bids for the service or good.
- **Emergency** – Applies when there is a threat to public health or safety, or a threat of loss or damage to City equipment or property and timing is critical.

When entering an on-line requisition the sole source options are in "Available Comments". When requesting a sole source purchase the correct comment must be selected and proof of sole source such as the vendors that were unable to provide the item or service, proof of protected or franchised areas, and the research that was done to ensure that no competition exists must be attached to the requisition.

4.7 Types of Contracts

Subject to the limitations of this manual, any type of contract which will promote the best interest of the City may be used; provided that the use of a cost-plus-a-percentage-of-cost contract is prohibited. A cost-reimbursement contract may be used only when a determination is made that such contract is likely to be less costly to the City than any other type or that it is impractical to obtain the supplies, services, or construction required except under such a contract.

4.8 Contract Term Limitation

On federally funded contracts, per 4220.1E, although the 'five-year rule' on period of performance contract limitations has been eliminated for all but rolling stock and replacement part contracts (i.e., those for which the rule is statutorily required), FTA expects grantees to be judicious about the terms of their contracts. The Lawrence Transit System shall demonstrate sound business judgment when deciding length of its contract terms, and whether or not it should exceed five (5) years. Furthermore the Public Transit Administrator shall concur with the Finance Director and seek the guidance of FTA, and approval of the City Manager and City Commission prior to proceeding. The Public Transit Administrator shall provide written documentation to demonstrate that sound business judgment was used to determine length of contract and such documentation shall be evident in the transit system's procurement files.

CHAPTER 5: CONTRACTING FOR PROFESSIONAL SERVICES

5.1 RFQ GUIDELINES

1. PURPOSE

A Request for Qualifications (RFQ) is used as a step for acquiring professional services. The selection is based only on qualifications of the best three to five firms that will be asked to submit a proposal for the project.

2. Procedure

The attached RFQ Checklist and RFQ score sheet should be used in preparing and evaluating an RFQ.

3. Format

Cover Sheet

This includes RFQ number (assigned by Purchasing), name of project, where to submit the proposal, site visit requirements (if any), City contacts, phone numbers, and when the responses are due.

Section I – Minimum Specifications

This section will include project description, location, performance period and general information.

Section II – Content

This section includes a list of requirements a potential offeror must address if asked to submit an RFP including page limits and number of copies to submit .

Section III – Company History

This section requires company history, employee history that will be working on the project, projects the company has completed comparable to the scope and size of the City's project and references.

Section III – Evaluation Criteria

This section includes the evaluation process, the evaluation criteria, and how the proposal will be evaluated. The RFQ shall clearly define all evaluation factors.

Section IV – Attachments

This section includes attachments such as a sample evaluation score sheet, drawings, sketches, general conditions, sample contract, special instructions, insurance requirements, past performance questionnaires, etc. as deemed appropriate by the using department.

5.2 RFP GUIDELINES

1. Purpose

The purpose for going out for a Request for Proposal (RFP) is to select the most qualified and cost effective firm or professional service provider. Examples of professional service providers are engineers, architects, financial services, etc. This is not a low bid process, although price should be considered in the evaluation process. RFPs are unlike formal bids or sealed bids in that an RFP is a negotiated contract with two or more firms to obtain a contract most advantageous to the City. An RFP should be used when the important factors in vendor selection are qualitative issues, such as experience, personnel performing the task or there are multiple approaches to providing the service being requested. A sealed bid is for goods or services that is issued through an "Invitation To Bid" that must meet certain specifications that are not negotiable. Bids are used when the cost and quantity are the most important factors. The City of Lawrence requires an RFP or sealed bid if the purchase is estimated to exceed \$15,000, although either one can be used based upon the best interest of the City.

2. Procedure

The attached RFP Checklist and RFP score sheet should be used in preparing and evaluating an RFP.

3. Format

Section I – Proposal Information

This section includes where to submit the proposal, site visit requirements, contacts and phone numbers, when they are due, information regarding amendments, basis of award and acceptance time period.

Section II – Minimum Specifications

This section will include project scope, location, performance period and general information.

Section III – Proposal Content

This section includes a list of requirements a potential offeror must address and include in the proposal including page limits and number of copies to submit, and estimated hours and hourly rate information. The cost information is intended for possible changes in the contract

Section IV – Evaluation Criteria

This section includes the evaluation process, the evaluation criteria, and its order of importance, and how the proposal will be evaluated. The RFP shall clearly define all evaluation factors.

Section V – Equal Employment Opportunity Agreement (required to be in the RFP)

The contractor agrees that the contractor shall observe the provisions of the Kansas Act Against Discrimination and shall not discriminate against any person in the performance of work under the present contract because of race, religion, color, sex, disability, national origin or ancestry. The contractor shall in all solicitations or advertisements for employees

include the phrase, “equal opportunity employer.” The contractor agrees that if the contractor fails to comply with the manner in which the contractor reports to the Kansas Human Rights Commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, the contractor shall be deemed to have breached the present contract and it may be canceled, terminated or suspended, in whole or in part, by the City. If the contractor is found guilty of a violation of the Kansas Act Against Discrimination under a decision or order of the Commission which has become final, the contractor shall be deemed to have breached the present contract and it may be canceled, terminated or suspended, in whole or in part, by the City.

Section VI – Attachments

This section includes attachments such as a sample evaluation score sheet, drawings, sketches, general conditions, sample contract, special instructions, insurance requirements, past performance questionnaires, etc.

5.3 Architectural and Engineering Design Fee Guidelines

1.1 Purpose

It is the policy of the City to negotiate a contract with the highest qualified firm, incorporating the scope of services, method of contracting price and terms and conditions determined to be fair and reasonable to the City according to provisions of this Chapter and section 5.5. The fee guidelines are to serve as a guideline for basic architectural and engineering (A/E) design services based on estimated construction cost for public improvement projects.

Basic A/E design services include:

1. Project kickoff meeting
2. Review of related existing and/or previous related project City/department data, plans, specifications etc.
3. Design Topographic Survey for purpose of horizontal and vertical control, location of surface features and known underground utilities
4. Preparation and presentation of preliminary design concepts
5. Code Analysis necessary for projects with buildings
6. Plan and Specification and construction estimate submittals for 2 intermediate reviews
7. Project meetings to review department comments on intermediate plan and specification submittals
8. Intermediate project meetings to review status, outstanding items
9. Basic Permitting ie Kansas Department of Transportation, Kansas Turnpike Authority & Douglas County Right of Way, Kansas Department of Health and Environment Public Water Supply or Sanitary Sewer Extension
10. Preparation of Final Plan and Specifications for bidding
11. Preparation of Engineer's estimate for bidding

Basic A/E design services do not include:

1. Preliminary design report and related activities
2. Master Plan or Area Service plan type projects
3. Collection of field, process or equipment performance data beyond topographic survey and existing data note in Basic Services.
4. Field testing of existing equipment or processes
5. Process or system modeling
6. Services related to Property or Easement Acquisition
7. Services related to land use requirements and Planning Dept requirements; ie platting, zoning, floodplain, annexation etc
8. Services related to hazardous materials
9. Value engineering evaluations
10. Preparation of materials for and attendance at Public Meetings
11. Construction estimates beyond those identified in the Basic Services
12. Constructability reviews beyond typical design review process
13. Geotechnical investigations
14. Site environmental, Section 106 Historic Preservation/archeological, wildlife habitat, or wetland assessments
15. Extensive permitting ie railroad, United States Corp of Engineers, multi-jurisdictional state, county, federal associated with assessments in items 5 or 8
16. Services related to project web sites
17. Bid phase services
18. Construction phase contract administration; typically including: shop drawings, pay estimates, change order and request for information
19. Resident Engineer Services during construction
20. Project inspection
21. Material testing during construction

It is also recognized that varying degrees of size and complexity may result in a higher negotiated fee. Examples of special circumstances that may necessitate such modifications include:

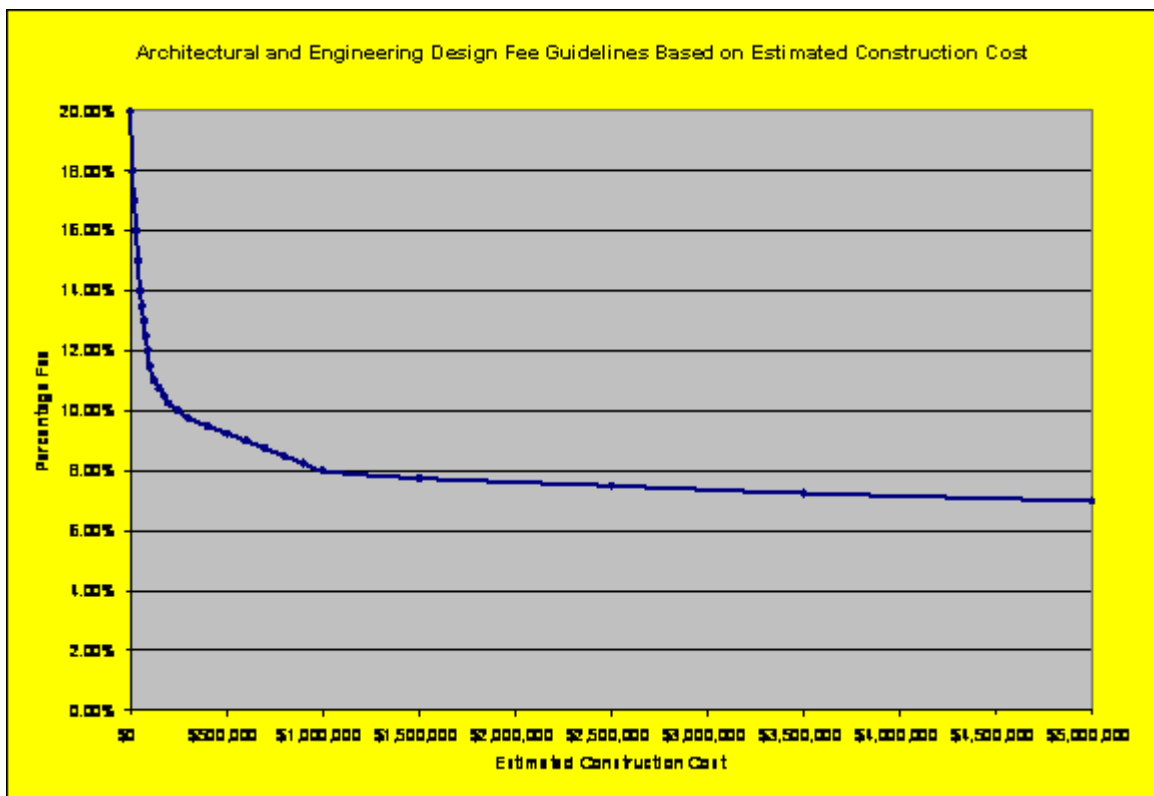
1. Unusual site conditions
2. Unique problems requiring specialized or extensive consulting services
3. Renovations required by additions to existing structure
4. Unusually slow or fast development schedule (fast track, design build, GC/CM)
5. Large portions of work that are outside the control of the prime architect (wetlands mitigation)
6. Complexity of project
7. Location of project
8. Extent of public meetings
9. Easement/Land Acquisition
10. State/Federal Requirements
11. Planning Related Activities
12. Treatment plant or pump station related projects where coordination to provide continuous operations is required
13. Coordination with other projects/contractors within limits of current project area
14. Design services related to specialized construction methods or system process design

15. Services related to multiple project sites being complete under a single contract
16. Multiple phases/alternative bids

1.2 Design Fee Guidelines

The fee guideline for basic A/E design services can be determined by the use of these guidelines.

Estimated Construction Cost	Percentage fee
\$100,000	11.50%
\$125,000	11.00%
\$150,000	10.75%
\$175,000	10.50%
\$200,000	10.25%
\$250,000	10.00%
\$300,000	9.75%
\$400,000	9.50%
\$500,000	9.25%
\$600,000	9.00%
\$700,000	8.75%
\$800,000	8.50%
\$900,000	8.25%
\$1,000,000	8.00%
\$1,500,000	7.75%
\$2,500,000	7.50%
\$3,500,000	7.25%
>\$5,000,000	6.99%



1.3 Procedures

The City will incorporate the fee guidelines during the negotiation of fees for basic A/E services. Negotiated fees will be routinely articulated to the City Commission with reference to the guidelines as the City Commission considers design contracts. Additionally, variance from the guidelines will be explained as necessary.

5.4 Standards for obtaining digital files for RFPs

1. Purpose.

These standards were developed to meet the needs of a web-based agenda and accommodate staff direction to provide the City Commission materials as pdf documents.

Standards for receiving deliverables via RFPs. The purpose of digital files is to provide electronic navigation of materials. Recognizing that electronic navigation differs greatly from paper copies and that hard copies will look very different from the electronic documents, vendors are encouraged to use a table of contents with hyperlinks to sections and supporting materials.

Vendors responding to City of Lawrence RFPs are asked to comply with the following:

In addition to output requested by issuing department, work should be submitted in pdf files delivered either via email to the staff contact or if size requires, on a CD.

An alternative to providing a CD of materials is for the vendor to place the material on the city's ftp server. The location is <ftp://ftp.ci.lawrence.ks.us/incoming/>. The materials should be placed in a clearly labeled project folder and the vendor should notify the issuing department when the files are in place.

When maps, drawings, graphics, pictures or other non-text materials are included in a presentation shall also be in pdf files.

5.4

Grants

Departments receiving Federal grants must make available upon request of the awarding agency, technical specifications of proposed procurements where the awarding agency believes such review is needed to ensure that the service specified is the one being proposed for purchase.

CHAPTER 6: INTERGOVERNMENTAL PURCHASING.

6.1 Cooperative Purchasing Authorized

The City, acting through the City Manager, may either participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the purchase of any supplies, services, or construction with one or more units of government in accordance with an agreement entered into between the participants. Such cooperative purchasing may include, but is not limited to, joint or multi-party contracts between units of government and open-ended State contracts which are made available to cities.

6.2 Cooperative Activities

1. The City may sell to, acquire from or use any supplies belonging to another unit of government independent of the requirements of Chapter 4 (Vendor Selection and Contract Formations).
2. The City may cooperatively use supplies and services with other governmental units.
3. The City may participate in the common use or lease of warehousing facilities, capital equipment, and other facilities.
4. The City will provide personnel, information and technical services, at its discretion, to the principles of open competition.

6.3 Restrictions on Cooperative Activities

Cooperative purchasing is permitted only when the unit of government assuming administrative responsibility conducts its purchasing operations according to the principles of open competition. All the participants in cooperative purchasing must agree to abide by all contractual requirements, including prompt payment of invoices.

6.4 Federal Grant requirements

Contracts under Federal grants will negotiate profit as a separate element of the price for each contract in which there is no competition. Consideration will be given to the complexity of the work, risk borne by the contractor, the contractor's investment, the amount of subcontracting, the contractor's past performance, and the industry profit rates in the geographic area.

When obtaining goods or services in this manner, the transit system will ensure all federal requirements, required clauses, and certifications (including Buy America) are properly followed and included, whether in the master intergovernmental contract or in the transit system's purchase document.

CHAPTER 7: BONDS AND CONTRACT CLAUSES

7.1 Bid Security

1. Requirement for Bid Security. A certified cashier's check, bid bond, or money order made payable to the City of Lawrence, Kansas, in the amount of 5% of the bid is required of all bidders for construction projects and may be required for some equipment purchases. The bid bond of the successful bidder may be used to insure the delivery of the equipment at the specified time and/or the successful completion of the project.
- 2, Withdrawal of Bids. After the bids are opened, they shall be irrevocable for the period specified in the Invitation for Bid, except as provided in Section 4.2. If a bidder is permitted to withdraw their bid before bid opening, no action shall be made against the bidder or the bid security. Withdrawal of a winning bid, upon the discretion of the City Manager, may result in the removal of the vendor from the City's active vendor list for a period not to exceed three years.

7.2 Performance and Payment Bonds

1. When Required -- Amounts. When a contract is awarded, the following bonds or security shall be delivered to the City, if the City Manager deems appropriate, and shall become binding on the parties upon the execution of the contract:
 - a) A performance bond satisfactory to the City, executed by a surety company authorized to do business in Kansas or otherwise secured in a manner satisfactory to the City, in an amount equal to 100% of the price specified in the contract; and
 - b) A payment bond to the State of Kansas satisfactory to the City, executed by a surety company authorized to do business in Kansas or otherwise secured in a manner satisfactory to the City, for the protection of all persons supplying labor, materials, equipment or supplies to the contractor or its subcontractors for the performance of the work provided for in the contract. The bond shall be in an amount equal to 100% of the price specified in the contract and shall otherwise comply with the requirements of K.S.A. 60-1111.
2. Authority to Require Additional Bonds. Nothing in this Section shall be construed to limit the authority of the City to require other security in specified in subsection (1) of this Section.

3. Suits on Payment bonds -- Right to Institute. Every person who has furnished labor or material to the contractor or its subcontractors for the work provided in the contract, in respect of which a payment bond is furnished under this Chapter, shall have the right to sue on the payment bond for any amount unpaid at the time suit is instituted and to prosecute the action for the amount due the person in the manner prescribed by Article II of Chapter 60 of the Kansas Statutes Annotated.
4. Suits on Payment Bonds -- Where and When Brought. Every suit instituted upon a payment bond shall be brought in the District Court of Douglas County, but no such suit shall be commenced after the expiration of one year after the day on which the last of the labor was performed or material was supplied by the person bringing suit. The obligee named in the bond need not be joined as a party in any such suit.

7.3 Contract Clauses and Their Administration

1. Contract Clauses. The City manager may require the inclusion in City construction, supplies and service contracts, clauses providing for adjustments in prices, time of performance, or other contract provisions when appropriate, including but not limited, to the following subjects:
 - a) Changes in the work and changes in the time of performance of the contract;
 - b) Variations occurring between estimated quantities of work and actual quantities;
 - c) Suspension of work ordered by the City;
 - d) Site conditions differing from those indicated in the contract, or ordinarily encountered, except that differing site conditions clauses need not be included in negotiated contracts, or when the contractor provides the site or design, or when the parties have otherwise agreed with respect to the risk of differing site conditions;
 - e) Liquidated damages as appropriate;
 1. For Federal projects, any liquidated damages recovered shall be credited to the project account involved unless the FTA permits otherwise.
 - f) Specified excuses for delay or nonperformance;
 - g) Termination of the contract for default;
 - h) Termination of the contract in whole or in part for the convenience of the City.
 - i) FTA grantees are encouraged to use value engineering clauses in contracts for construction projects. FTA cannot approve a New Starts grant application for final design funding or a full funding grant agreement until value engineering is complete (see FTA Circular 5010.1C).

2. Modification of Required Clauses. The Finance Director or designee may vary the contract clauses for inclusion in any particular contract; provided that the circumstances justify such variations and provided that notice of any such material variation be stated in the Invitation for Bids or Request for Proposals.
3. Grantees and Subgrantees.
 - a. The City of Lawrence and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
 - b. When expending federal grant funds, the City of Lawrence's and subgrantee's contract must contain provisions in paragraph 1 of Section 36 of the OMB Common Rule.
 - c. When awarding and administering subgrants of federal financial assistance to local and Indian tribal governments, the City of Lawrence shall ensure that every subgrant includes a provision for compliance with the purchasing policy, ensure that every subgrant includes any clauses required by Federal statute and executive orders and their implementing regulations, and ensure that subgrantees are aware of requirements imposed upon them by Federal statutes and regulations.

CHAPTER 8: LEGAL AND CONTRACTUAL REMEDIES

8.1 Authority to Resolve Controversies

1. Right to Protest. Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract, or contract or breach of contract controversy may protest to the Finance Director. The protest shall be submitted in writing within 5 days after such aggrieved person is aware of or should have been aware of the facts giving rise thereto. Upon receipt of a protest the Public Transit Administrator shall notify FTA of the protest.
2. Authority to Resolve Protest. The Finance Director, or designee shall have the authority, prior to commencement of an action in court concerning the controversy to settle and resolve a protest of an aggrieved bidder, offeror, or contractor, actual or prospective, concerning the solicitation or award of a contract, or a contract or breach of contract controversy.
3. Decision. If the protest is not resolved, the aggrieved party may appeal the Finance Director's decision within 5 days to the City Manager. The City Manager, after reviewing the situation shall issue a decision stating the reasons for the action taken which shall be final and conclusive, unless stayed or reversed by a court of competent jurisdiction.
4. FTA review of protest under Federal Grants. FTA protest procedures are found in FTA Circular 4220.1E. If federal funding is involved, FTA will review protests from a third party only if the City failed to have or follow its protest procedures, failed to review a complaint or protest, or violates federal laws or regulations and the standards of 49CFR Part 18.36(b)(12). The FTA regional office must receive an appeal within five (5) working days of the date the protester knew or should have known of the violation. A protester must exhaust all administrative remedies with the City of Lawrence before pursuing a protest with FTA.
5. Stay of Procurements During Protest. In the event of a timely protest, the City shall not proceed further with the solicitation or with the award of the contract until all administrative or judicial remedies have been exhausted unless a determination is made that the award of the contract without delay is necessary to protect substantial interest of the City.

8.2 Authority to Debar or Suspend

1. Authority. After reasonable notice and opportunity for the person to be heard, the City Manager or designee shall have authority to debar a person for cause from consideration for award of contracts. The debarment shall not be for a period of more than three years. Also a person may be suspended from consideration for award of contracts if there is probable cause to believe that the person has engaged in any activity which might lead to debarment. A suspension can be extended until resolution of any criminal proceeding.

2. Causes for Debarment. The causes for debarment include the following:
- a) conviction for commission of a criminal offense in obtaining or attempting to obtain or in the performance of a public or private contract or subcontract;
 - b) conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or honesty;
 - c) conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;
 - d) violation of contract provisions of a character which is regarded by the City Manager to be so serious as to justify debarment action;
 - e) any other cause the City Manager determines to be so serious and compelling as to affect responsibility as City contractor;
 - f) for violation of the ethical standards set forth in Chapter 11 (Ethics in City Contracting).

CHAPTER 9: DISPOSAL OF PROPERTY

9.1 Scope

Surplus and obsolete property may be transferred, sold, offered as a trade-in, or destroyed. Abandoned and confiscated property shall be sold or destroyed. Any property disposed of will be stripped of all identification as City property.

9.2 Methods of Disposition

Depending on the nature of the item, Purchasing may choose one of the following methods of disposition:

1. Transferring to another City department.
2. Returning to manufacturer or vendor.
3. Trade in.
4. Sale by auction or sealed bids.
5. Selling as scrap.
6. Destruction.

9.3 Disposition of Property Acquired Under a Federal Grant or Subgrant

When original or replacement equipment acquired under a Federal grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a federal agency, disposition of equipment will be made as follows:

1. Items of equipment with a current per unit fair market value of less than \$5,000 may be retained or sold or otherwise disposed of with no further obligation to the awarding Federal agency.
2. Items of equipment with a current per unit fair market value of \$5,000 or more may be retained or sold and the awarding Federal agency shall have a right to an amount calculated by multiplying the proceeds from the sale by the award agency's share of the original purchase price of the equipment.

9.4 Sale Proceeds

Pursuant to K.S.A. 13-14a02, all proceeds from all lost or stolen securities, money or personal property, (e.g., bicycles, abandoned cars, etc.), which have been unclaimed and in the possession of any department for six (6) months, together with the proceeds of all unclaimed or confiscated property of any nature, which have been in the custody of the Police Department for a period of six (6) months, shall be placed in the Employee Benefit Fund (KP&F) provided

for payment of pension and disability benefits. Since The Employee Benefit Fund has been closed the funds are placed in the general fund.

All other proceeds resulting from the sale of surplus or obsolete property shall be placed in the appropriate fund.

9.5 Terms and Conditions of Sale

Depending on the nature of the items and the method of sale selected, the following terms and conditions shall be used;

1. Inspection. Prospective buyers will be allowed time prior to the sale to inspect items.
2. No Warranty. No warranty or guarantee of any kind is given by the City. All items are offered for sale “as is”, “here at”, and “without recourse”.
3. Removal. The successful bidder will be required at their own risk and expense to remove any items bid upon within the time specified in the bid document. Receipt of each unit must be signed by the purchaser or their duly authorized agent at the time the item is removed. Any item not called for or left behind will be considered as abandoned, and the City has the right to dispose of same in any manner whatsoever.
4. Upset Price. In some instances, minimum prices will be established. In such cases, items will not be sold below that minimum price. The City reserves the right to accept or reject any or all bids.

9.6 Report of Disposition

The Finance Department must be advised of the disposition of all items in order that inventory records may be maintained. The Finance Department shall indicate the disposition on the inventory records.

CHAPTER 10:. ENVIRONMENTAL PROCUREMENT POLICY

10.1 SCOPE

The City of Lawrence wishes to purchase environmentally preferred products and services which have a lesser or reduced effect on human health and the environment when compared to other products and services that serve the same purpose. The purpose of this policy is to support the purchase of products that will minimize negative environmental impacts of our work and support markets for recycled and other environmentally preferable products. The purchase of these products is preferred whenever they perform satisfactorily and are available at a reasonable cost.

10.2 POLICIES

1. All City Department personnel will purchase recycled, remanufactured and environmentally preferable products whenever practicable. The City has established a 5 percent price preference for recycled, remanufactured and environmentally preferable products.
2. All imprinted letterhead paper, envelopes and business cards used by City of Lawrence Departments shall be recycled paper and bear a symbol identifying the paper as recycled provided the quality and pricing meets the above criteria.
3. The percentages of post-consumer content (minimum 10%) and recycled content (minimum 20%) will be spelled out in the bid specifications for letterhead and other paper grades based on industry availability;
4. Whenever practicable, the City will ensure that contracts issued by its Departments require recycled and environmentally preferable products.
5. City Departments shall use both sides of paper sheets whenever practicable in printing and copying.
6. The City shall to the extent possible initiate pilot programs to test the capabilities or recycled, remanufactured, and environmentally preferable products.

10.3 SELECTED ENVIRONMENTAL PRODUCTS

The Finance Department in coordination with other city departments will evaluate the following environmentally preferable products and purchase them whenever the evaluation is favorable.

1. Recycled paper and paper products
2. Remanufactured laser printer toner cartridges
3. Re-refined antifreeze.

4. Re-refined lubricating and hydraulic oils.
5. Recycled plastic outdoor wood substitutes.
6. Re-crushed cement concrete aggregate and asphalt.
7. Cement and asphalt concrete containing glass cullet, recycled fiber, plastic, tire rubber, or fly ash.
8. Remanufactured (retread) tires and products made from recycled tire rubber.
9. Compost.
10. Cleaning products with lowered toxicity.
11. Water-saving products.
12. Other products designated by the Finance Department.

10.4 RESPONSIBILITIES OF WR/R DIVISION:

1. Develop and maintain information about environmentally preferable products and recycled products containing the maximum practicable amount of recycled materials, to be purchased by departments whenever possible
2. Inform departments of their responsibilities under this policy, provide departments with information about recycled product and make suggestions on pilot programs for testing remanufactured and recycled products.
3. Promote the use of recycled and other environmentally preferable products by publicizing and educating others about the procurement program.
4. Coordinate with the Purchasing Agent about environmentally preferable products and products containing recycled materials.
5. Coordinate pilot programs with Departments, monitor, track and report product evaluation findings.

10.5 RESPONSIBILITIES OF PURCHASING AGENT:

1. Review request for bids and request for proposals, as appropriate and reasonable, to determine if they exclude the use of environmentally preferable products as defined in Section 4.0. Specifications should be redrafted to allow for the use of environmentally responsible products whenever practicable.

10.6 RESPONSIBILITIES OF OTHER CITY DEPARTMENTS

1. Each department shall purchase recycled paper products whenever practicable.
2. Each department shall evaluate environmentally preferred and recycled products to determine the extent to which they may be reasonably used by the department.
3. Coordinate with the Purchasing Agent and the Waste Reduction and Recycling Division to report:
 1. The results of product evaluation.
 2. The status of efforts to maximize environmental purchasing.
4. Ensure that contracts issued by the department requires purchasing in compliance with this policy wherever practicable.

10.7 EXEMPTIONS

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

10.8 Disposition of Property Acquired Under a Grant or Subgrant

See Section 9.3

CHAPTER 11: ETHICS IN CITY CONTRACTING

11.1 General Standards of Ethical Conduct

1. General Ethical Standards for Employees: Any attempt to realize personal gain through City employment by conduct inconsistent with the proper discharge of the employee's duties is a breach of a public trust. In order to fulfill this general prescribed standard, employees must also set the specific standards set forth in this chapter.
2. General Ethical Standards for Non-Employees: Any efforts to influence any City employees to breach the standards of ethical conduct set forth in this Chapter is also a breach of ethical standards.

11.2 Employee Conflict of Interest

Pursuant to K.S.A. 75-4304, it shall be a breach of ethical standards for any City employee, in his or her capacity as such employee, to make or participate in the making of a contract with any person or business by which he is she is employed or in whose business he or she has a substantial interest, and no such person or business shall enter into any contract where any City officer or employee, acting in such capacity, is signatory to or a participant in the making of such contract and is employed by or has a substantial interest in such person or business. A City officer or employee does not make or participate in the making of a contract if he or she abstains from any action in regard to the contract.

This section shall not apply to the following:

1. Contracts let after competitive bidding has been advertised for by published notice; and,
2. Contracts for property or services for which the price or rate is fixed by law.

11.3 Employee Disclosure Requirements

An employee who has, or obtains any benefit from, any City contract with a business in which the employee has a financial interest shall report such benefit to the Finance Director; provided, however, this Sections shall not apply to a contract with a business where the employee's interest in the business has been placed in an independent trust. Any employee who knows or should have known of such benefit, and fails to report such benefit to the Finance Director, is in breach of ethical standards.

11.4 Gratuities and Kickbacks

1. Gratuities. It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase requisition, influencing the content of any specification or purchasing standard, rendering of advice, investigation, auditing,

or in any other advisory capacity, in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor. Gratuities shall not mean pens, calendars, or other novelty items used for advertising purposes, meals or other meeting circumstances for the purpose of conducting or discussing official business.

2. Kickbacks. It shall be a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract or order to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

11.5 Prohibition Against Contingent Fees

It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure a City contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

11.6 Restrictions on Employment of Present and Former Employees

1. Contemporaneous Employment Prohibited. Except as may be expressly permitted by the City manager, it shall be a breach of ethical standard for any City employee who is participating directly or indirectly in the purchasing process to become or be, while being a City employee, the employee of any person contracting with the City.
2. Restrictions on Former Employees. It shall be a breach of ethical standards for any former employee within one year after City employment has ceased, to knowingly act as a principal, or as an agent for anyone other than the City, in connection with any;
 - a) Judicial or other proceeding, application, request for as a ruling, or other determination against the City;
 - b) Contract with the City;
 - c) Claim against the City; or
 - d) Charge or controversy, in which the employee participated personally and substantially through decision, approval, disapproval, recommendation, rendering of advice, investigation, or otherwise while any employee, where the City is as a party or has as a direct or substantial interest.

11.7 Use of Confidential Information

It shall be a breach of ethical standards for any employee or former employee knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.

11.8 Civil and Administration Remedies Against Employees and Non-Employees Who Breach Ethical Standards

1. Existing Remedies Not Impaired. Civil and administrative remedies against employees and Non-Employees which are in existence on the effective date of this manual shall not be impaired.
2. Supplemental Remedies Against Employees. In addition to existing remedies for breach of the ethical standards of this Chapter, the City Manager, in accordance with the Personnel Rules and Regulations may impose any or more of the following:
 - a) Oral or written warnings or reprimands;
 - b) Suspension with or without pay for specified periods of time; and
 - c) Termination of employment.
3. Supplemental Remedies Against Non-Employees. In addition to existing remedies for breach of the ethical standards of this Chapter or regulations promulgated hereunder, the City Manager may impose any one or more of the following:
 - a) written warnings or reprimands;
 - b) termination of transactions; and,
 - c) disbarment or suspension from being a contractor or subcontractor under City contracts. (see section 8.2)
4. Recovery of Value Transferred or Received. The value of anything transferred or received in breach of the ethical stands of this Chapter, or regulations promulgated hereunder, by an employee or a non-employee may be recovered from both the employee and non-employee.
5. Due Process. All procedures under this Section shall be in accordance with due process requirements and existing Kansas Law.
6. Criminal Sanctions. To the extent that violations of the ethical standards of conduct set forth in this Chapter constitute violations of Federal or State or City Law, they shall be punishable as provided therein. Such sanctions shall be in addition to the civil remedies set forth in the manual.

Appendix A

Equal Employment Opportunity Agreement :

The contractor agrees that the contractor shall observe the provisions of the Kansas Act Against Discrimination and shall not discriminate against any person in the performance of work under the present contract because of race, religion, color, sex, disability, national origin or ancestry. The contractor shall in all solicitations or advertisements for employees include the phrase, "equal opportunity employer." The contractor agrees that if the contractor fails to comply with the manner in which the contractor reports to the Kansas Human Rights Commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, the contractor shall be deemed to have breached the present contract and it may be canceled, terminated or suspended, in whole or in part, by the City. If the contractor is found guilty of a violation of the Kansas Act Against Discrimination under a decision or order of the Commission which has become final, the contractor shall be deemed to have breached the present contract and it may be canceled, terminated or suspended, in whole or in part, by the City.

Appendix B

Checklist Tasks – RFQs

☐ **Approval**

The City Manager must approve the project before the RFQ process is started. A draft of the proposed RFQ, along with a list of prospective vendors and the department's plans for financing the project (bond \$, operating budget, non-bonded construction funds, etc.) should be submitted to the City Manager's office for review. At this step, the City Manager may determine that certain projects be placed on the City Commission agenda for approval to solicit RFQs due to the project size and scope.

☐ **Mail RFQs:**

From the Department's list vendors should be invited to submit a detailed proposal. Depending on the size of the project, the RFQ should be mailed with enough lead-time for the vendor to complete the RFQ. It is not necessary to mail them certified mail; regular mail is sufficient. If a vendor requests the RFQ sent by e-mail it should be as an Adobe PDF file.

☐ **Advertise:**

The day the RFQs are mailed Purchasing should place the RFQ on the internet. It should be emailed to the purchasing agent as a word document. An ad should also be placed in the local paper.

☐ **Review Proposals and Interviews:**

Upon receipt of the sealed RFQs, a selection committee consisting of three to five people, depending on the value and complexity of the project shall review the proposals. The committee may choose to interview the prospective consultants and rank the firms according to their qualifications. The determination of ranking shall take into account such factors as the professional competence of consultants, company history and history of similar projects. The highest ranking three to five consultants shall be asked to submit proposal for the City's project.

Appendix C

RFQ CHECKLIST

RFQ Number _____

Project Number _____

Project Name _____

Department _____

Employee Contact _____

DATE COMPLETED	TASK
	Approval – approval by City Manager
	Mail RFQs – regular mail
	Advertise in paper & on Internet (send by e-mail in word format to purchasing)
	Review & Interview consultants

RFP Checklist Tasks

- ☐ **Approval:**
The City Manager must approve the project before the RFP process is started. A draft of the proposed RFP, along with a list of prospective vendors and the department's plans for financing the project (bond \$, operating budget, non-bonded construction funds, etc.) should be submitted to the City Manager's office for review. At this step, the City Manager may determine that certain projects be placed on the City Commission agenda for approval to solicit RFP's due to the project size and scope.
- ☐ **Initial Screening:**
The user department may contact prospective vendors requesting expressions of interest and statements of qualifications in providing types of service needed. Factors considered in the initial screening include experience of the firm in the type of service required, number, availability and location of qualified personnel, references on performance.
- ☐ **Mail RFPs:**
From the initial screening a minimum of three vendors should be invited to submit a detailed proposal. Depending on the size of the project, the RFP should be mailed with enough lead-time for the vendor to complete the RFP. It is not necessary to mail them certified mail; regular mail is sufficient. If a vendor requests the RFP sent by e-mail it should be as an Adobe PDF file.
- ☐ **Advertise:**
The day the RFPs are mailed Purchasing should place the RFP on the internet. It should be emailed to the purchasing agent as a word document. Purchases under a Federal grant are required to be advertised in the local newspaper.
- ☐ **Review Proposals and Interviews:**
Upon receipt of the sealed proposals, a selection committee consisting of three to five people, depending on the value and complexity of the RFP, shall review the proposals. If the committee cannot determine the best proposal they may interview the prospective consultants and rank the firms according to quality of their offers. The determination of ranking shall take into account, in the following order of importance, the professional competence of offerors, the technical merits of offers, and the price for which the services are to be rendered as well as other criteria specific to the scope of services requested.
- ☐ **Negotiations:**
Negotiation with the highest qualified firm may be undertaken to obtain a contract incorporating the scope of services, method of contracting, price and terms and conditions determined to be fair and reasonable to the City. Negotiations with the second most qualified firm may then be undertaken until a contract is successfully negotiated that is most advantageous to the City.
- ☐ **Contract:**
A contract incorporating the terms and conditions of the recommended proposal should be drafted and reviewed by Legal Services.
- ☐ **Award:**
The selection committee shall submit the successfully negotiated contract to the City Manager to review with subsequent submission to the City Commission for their approval.
- ☐ **Purchase order and written notice:**
Produce a purchase order, prepare and mail a letter notifying the vendor the contract has been approved and a PO produced.

Appendix E

RFP CHECKLIST

Project Number _____

Project Name _____

Department _____

Employee Contact _____

DATE COMPLETED	TASK
	Approval – approval by City Manager
	Initial Screening – a minimum of 3 firms should be invited to submit RFPs
	Mail RFPs – regular mail
	Advertise (send by e-mail in word format to purchasing)
	Review & Interview Proposals
	Negotiations – at least two firms
	Contract – preparation of contract & Legal Services review
	Award (City Commission approval)
	PO – prepare an electronic requisition for the Purchasing Agent to produce a PO
	Written notification – mail notification of contract and PO

RFP/RFQ SCORE SHEET

Firm	Related Project Experience	Project Team (1-10)	Project Approach (1-10)	Schedule (1-10)	Intangibles*

*three intangibles scored as:

• (neutral) + (positive) - (negative)

Intangibles include: (Department to insert criteria)

- 1.
- 2.
- 3.

TOTAL SCORES:

Firm	Score		Firm	Score

Note – total number of possible points: 40+intangibles

REQUIRED THIRD PARTY CONTRACT CLAUSES

REQUIREMENT	COMMENTS	MASTER AGREEMENT REFERENCE	1	2	3
All FTA-Assisted Third-Party Contracts and Subcontracts					
No federal government obligations to third-parties by use of a disclaimer		§2.f			
Program fraud and false or fraudulent statements and related acts		§3.f			
Access to Records		§15.t			
Federal changes		§2.c(1)			
Civil Rights (EEO, Title VI & ADA)		§12			
Termination provisions	Contracts >\$10,000 (49 CFR §18)	§11			
Disadvantaged Business Enterprises (DBEs)	Contracts awarded on the basis of a bid or proposal offering to use DBEs	§12.d			
Incorporation of FTA Terms	Per FTA C 4220.1E	§15.a			
Suspension and Debarment	Contracts >\$25,000	§3.b			
Awards Exceeding the Simplified Acquisition Threshold (\$100,000)					
Buy America	When tangible property or construction will be acquired	§14.a			
Provisions for resolution of disputes, breaches, or other litigation		§53			
Awards Exceeding \$100,000 by Statute					
Lobbying		§3.d			
Clean Air		§25.b			
Clean Water		§25.c			
Procurements Examined					
1. _____					
2. _____					
3. _____					
LEGEND: X - included O - not included NA - does not apply					

REQUIREMENT	COMMENTS	MASTER AGREEMENT REFERENCE	1	2	3
Transport of Property or Persons					
Cargo Preference	When acquiring property suitable for shipment by ocean vessel	§14.b			
Fly America	When property or persons transported by air between U.S. and foreign destinations, or between foreign locations	§14.c			
Construction Activities					
Construction Employee Protection - Davis Bacon Act - Copeland Anti-Kickback Act	Except for contracts <\$2,000 or third party contracts for supplies, materials, or articles ordinarily available on the open market	§24.a			
Contract Work Hours & Safety Standards Act	Contracts >\$100,000				
Bonding for construction activities exceeding \$100,000	5% bid guarantee; 100% performance bond; and Payment bond equal to: • 50% for contracts < \$1 M • 40% for contracts > \$1 M, but < \$5 M • \$2.5 M for contracts > \$5 M	§15.o(1)			
Seismic Safety	Contracts for construction of new buildings or additions to existing buildings	§23.e			
Nonconstruction Activities					
Nonconstruction Employee Protection (Contract Work Hours and Safety Standards Act)	Applicable to all turnkey, rolling stock and operational contracts (excluding contracts for transportation services) in excess of \$2,500.	§24.b			
Transit Operations					
Transit Employee Protective Arrangements		§24.d			
Charter Service Operations		§28			
School Bus Operations		§29			
Drug Use and Testing	Safety sensitive functions	§32.b			
Alcohol Misuse and Testing	Safety sensitive functions	§32.b			
Planning, Research, Development, and Documentation Projects					
Patent Rights		§17			

Rights in Data and Copyrights		§18			
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REQUIREMENT	COMMENTS	MASTER AGREEMENT REFERENCE	1	2	3
Miscellaneous Special Requirements					
Energy Conservation		§26			
Recycled Products	Contracts for items designated by EPA, when procuring \$10,000 or more per year	§15.k			
Conformance with National ITS Architecture	Contracts and solicitations for ITS projects	§15.m			
ADA Access	Contracts for rolling stock or facilities construction/renovation	§12.g			
Assignability Clause	Piggyback procurements	§15.a			
Special Notification Requirements for States					
Special Notification Requirements for States		§38			

REQUIRED CERTIFICATIONS, REPORTS AND FORMS

REQUIREMENT	COMMENTS	MASTER AGREEMENT REFERENCES	1	2	3
Bus Testing Certification and Report	Procurements of buses and modified mass produced vans	§15.n(4)			
TVM Certifications	All rolling stock procurements	§12.d(1)			
Buy America Certification	Procurements of steel, iron or manufactured products exceeding \$100,000	§14.a			
Pre-Award Audit	Rolling stock procurements exceeding \$100,000	§15.n(3)			
Pre-Award Buy America Certification	Rolling stock procurements exceeding \$100,000	§15.n(3)			
Pre-Award Purchaser's Requirement	Rolling stock procurements exceeding \$100,000	§15.n(3)			
Post-Delivery Audit	Rolling stock procurements exceeding \$100,000	§15.n(3)			
Post-Delivery Buy America Certification	Rolling stock procurements exceeding \$100,000	§15.n(3)			
Post-Delivery Purchaser's Requirement	Rolling stock procurements exceeding \$100,000	§15.n(3)			

On-Site Inspector's Report	Rolling stock procurements for more than 10 vehicles	§15.n(3)			
Federal Motor Vehicles Safety Standards (Pre-Award and Post-Delivery)	Motor vehicle procurements (49 CFR §571)	§15.n(3)			
Lobbying Certification	Procurements exceeding \$100,000	§3.d(1)			
Standard Form LLL and Quarterly Updates (when required)	Procurements exceeding \$100,000 where contractor engages in lobbying activities	§3.d(1)			

OTHER REQUIRED OPTIONS

REQUIREMENT	COMMENTS	FTA C 4220.1E REFERENCES	1	2	3
Contract Administration System		§7b			
Record of Procurement History		§7i			
Protest Procedures		§7l			
Selection Procedures		§8c			
Cost/Price Analysis		§10a-b			
Justification for Noncompetitive Awards	If applicable	§9h			
No excessive bonding requirements		§8a			
No exclusionary specifications		§8a			
No geographic preferences	Except for A&E services	§8b			
Evaluation of Options	If applicable	§9i			

APPLICABILITY OF THIRD-PARTY CONTRACT CLAUSES
(excluding micro-purchases, except for construction contracts over \$2,000)

CLAUSE	TYPE OF PROCUREMENT				
	Professional Services/A&E	Operations/Management	Rolling Stock Purchase	Construction	Materials & Supplies
No federal government obligations to third-parties by use of a disclaimer	All	All	All	All	All
Program fraud and false or fraudulent statements and related acts	All	All	All	All	All
Access to Records	All	All	All	All	All
Federal changes	All	All	All	All	All
Civil Rights (EEO, Title VI & ADA)	All	All	All	All	All
Termination Provisions	>\$10,000	>\$10,000	>\$10,000	>\$10,000	>\$10,000
Disadvantaged Business Enterprises (DBEs)	All	All	All	All	All
Incorporation of FTA Terms	All	All	All	All	All
Suspension and Debarment	>\$25,000	>\$25,000	>\$25,000	>\$25,000	>\$25,000
Buy America			>\$100,000	>\$100,000	>\$100,000 (for steel, iron, manufactured products)
Provisions for resolution of disputes, breaches, or other litigation	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Lobbying	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Air	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Water	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Cargo Preference			Involving property that may be transported by ocean vessel	Involving property that may be transported by ocean vessel	Involving property that may be transported by ocean vessel
Fly America	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air
Davis Bacon Act				>\$2,000 (including ferry vessels)	

Copeland Anti-Kickback Act				>\$2,000 (including ferry vessels)	
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CLAUSE	TYPE OF PROCUREMENT				
	Professional Services/A& E	Operations/ Managemen t	Rolling Stock Purchase	Constructio n	Materials & Supplies
Contract Work Hours & Safety Standards Act		>\$100,000 (except transportatio n services)	>\$100,000	>\$100,000 (including ferry vessels)	
Bonding				>\$100,000	
Seismic Safety	A&E for New Buildings & Additions			New Buildings & Additions	
Transit Employee Protective Arrangements		Transit Operations			
Charter Service Operations		All			
School Bus Operations		All			
Drug Use and Testing		Transit Operations			
Alcohol Misuse and Testing		Transit Operations			
Patent Rights	Research & Development				
Rights in Data and Copyrights requirements	Research & Development				
Energy Conservation	All	All	All	All	All
Recycled Products		Contracts for items designated by EPA, when procuring \$10,000 or more per year		Contracts for items designated by EPA, when procuring \$10,000 or more per year	Contracts for items designated by EPA, when procuring \$10,000 or more per year
Conformance with ITS National Architecture	ITS Projects	ITS Projects	ITS Projects	ITS Projects	ITS Projects
ADA Access	Architectural & Engineering	All	All	All	
Special Notification Requirements for States	Limited to States	Limited to States	Limited to States	Limited to States	Limited to States