



PROCUREMENT POLICY

Adopted by the Placer County Board of Supervisors

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1.0 PURPOSE

The purpose of this Procurement Policy is to establish guidelines for authorization, soliciting, and appropriate conduct of purchasing activities relating to the acquisition of approved goods and services for Placer County. This policy is intended to provide a transparent, competitive, fair, and impartial process for conducting business with Placer County's vendor community.

All purchases must be made in accordance with this policy, other County Policies and procedures, as well as any and all applicable laws and are subject to audit at any time. Failure to comply with this policy may result in disciplinary action.

2.0 RESPONSIBILITIES

PROCUREMENT SERVICES:

The Placer County Board of Supervisors has adopted a centralized purchasing system and has designated the Procurement Services Division of the Department of Administrative Services (Procurement) to be responsible for the administration of that system. The Director of Administrative Services acting as the ex-officio purchasing agent, shall have the duties and powers prescribed by law for county purchasing agents. Under that authority, the Procurement Division is responsible for the following activities:

- Assist departments in matters related to the identification of possible supply sources, alternative product examinations, specification preparation, order follow-up and material expediting, and adherence to all contract terms and conditions.
- Assist departments in determining the appropriate method of acquisition and solicitation.
- Purchase, rent, or lease of supplies, equipment and services.
- Sell, lease, trade, or otherwise dispose of personal property that is no longer needed for County use.
- Registration of County-owned vehicles and heavy equipment.
- Administration of the Procurement Card (credit card) program.
- Prepare, maintain, and amend the procedures to implement the Procurement Policy.

COUNTY DEPARTMENTS:

Departments are responsible for the following activities:

- Ensure that all purchases are made for official county business and make appropriate use of County funds.
- Submit requests for the acquisition of goods and services in a manner suitable to the type of solicitation required.
- Assure all requests are properly budgeted.

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- Provide adequate descriptions, specifications, scopes of work, or other instructions to assure a clear understanding of the requirements, including special conditions required by any grant or alternative funding source to be used for the purchase.
- Provide punctual responses to questions throughout the procurement process.
- Provide adequate inspection, receiving, and quality control practices for all purchases.
- Assure receipt and payment for good and services are documented and paid in a manner consistent with the approved contract and within the applicable prompt payment discount timeframes.
- Consult with Procurement as needed for assistance with resolving problems with product or service delivery and vendor performance.

3.0 COMPETITIVE PROCUREMENT

It is the policy of Placer County to make appropriate use of County funds and promote transparency through the use of open and full competition to the maximum extent possible. Contracts for the purchase of county personal property or services shall be awarded as the result of a competitive process, except as otherwise provided for in this policy or by law where a competitive process is required.

3.1. THRESHOLDS

The following thresholds apply to procurement activities for the purchase of any goods or services required by Placer County departments and agencies where a competitive process is required, except for public projects.

Placer County Thresholds		
Equal to or less than	\$4,000	Small Purchases
Between	\$4,000 and \$50,000	Informal Solicitation
More than	\$50,000	Formal Solicitation

Public projects are governed by the California Public Contract Code, have different thresholds, and must be solicited in accordance with the applicable State code and requirements. The current limits are set forth in the Procurement Procedures Manual. Public projects include, but are not limited to, construction, improvement, or repairs of County facilities.

Purchases shall not be artificially divided to circumvent any competitive bidding requirement. In addition, no department or employee shall draft or cause to be drafted any specifications in such a manner as to limit the bidding directly or indirectly to any one specific vendor, or any specific brand, product, thing, or service, except for those items that are standardized for a particular purpose, are approved as exempt from competitive bidding requirements, or are approved as sole source purchases.

3.2. SMALL PURCHASES

Department heads or designees are authorized to make individual purchases of products and services with an estimated total cost of \$4,000 or less, including tax, installation, and freight, if in the opinion of the department head, such direct purchases are in the best interest of the County.

The delegation of authority to make small purchases is not intended to be a substitute for centralized purchasing, or to be used to engage in repetitive purchasing without adequate analysis and competition. The following products and services are not authorized for direct purchase without prior approval from Procurement:

- Construction, improvements, and maintenance of facilities
- Information technology software & hardware
- Telecommunications equipment
- Road projects, including parking lots & trails
- Vehicles and heavy equipment
- Any products or services available through department or Countywide contracts

3.3. INFORMAL SOLICITATIONS

Purchases of goods or services with an estimated total cost of \$50,000 or less may be conducted through informal solicitation. The Purchasing Agent or designee may require that a formal solicitation process be used if, in the Purchasing Agent or designee's judgment, a formal solicitation is in the best interest of the County.

Informal solicitations may be handled either by the department or Procurement Services. A minimum of three quotes for the goods or services will be sought and evaluated to determine the lowest responsive and responsible bidder or the best value to the County. Any award based on an informal solicitation shall be documented with the applicable reason and justification for the award.

3.4. FORMAL SOLICITATIONS

Purchases of goods or services with an estimated total cost of more than \$50,000 shall be made in accordance with the applicable procedures for Formal Solicitations and this section, which sets forth the requirements for competitive sealed solicitations, including but not limited to Invitations for Bids, Requests for Proposals, Requests for Qualifications, Requests for Information and any other formal solicitation method.

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A. Public Notice and Solicitation Period

Public notice of formal solicitations shall be issued not less than ten (10) County working days prior to the opening. A notice shall be posted in a public forum. The public notice must specify the place where solicitation documents may be obtained, if a fee applies, and the time and place for submission of solicitation responses.

B. Specifications/Scopes of Work

Specifications and scopes of work shall permit free and full competition to the maximum extent possible under the attendant circumstances. Procurement shall make the final determination of the acceptability of specifications and scope of work requirements to be included in any solicitation.

A firm or vendor may be utilized as a professional consultant to assist the County with the development of the specifications. Such firms or vendors who participate in this capacity are prohibited from responding to the resulting solicitation.

Solicitation documents shall identify all criteria which will be considered in an award recommendation.

C. Addenda to Solicitations

Addenda shall be distributed to all firms known to have received solicitation documents. Addenda which are issued within four (4) County working days of the solicitation due date shall also include an extension of the due date. The extension shall be not less than four (4) County working days from the date the addendum is issued. Addenda which cancel a solicitation in its entirety may be issued at any time prior to the solicitation's posted due date.

D. Receipt of Responses/Opening

Vendors shall respond in the manner set forth in the solicitation.

Late responses to the County's solicitations shall not be accepted.

Formal solicitations shall be received via a secure method which prevents anyone from viewing the responses until after the deadline specified in the solicitation.

All responses shall be opened in the presence of one or more witnesses and in a public forum, at the time and place designated in the solicitation, and shall be administered by the Purchasing Agent or designee.

E. Public and Confidential Records

Responses to Requests for Proposals and Requests for Qualifications shall be considered confidential records upon receipt and throughout the evaluation process.

Responses to Invitations for Bids shall be considered public records immediately upon opening of the responses. Copies of the bid responses and other associated documents shall be made available upon request.

Records maintained by Procurement to document processing and award of any solicitation shall be kept in accordance with the County's document retention policy.

F. Solicitation Clarifications

A firm may be permitted the opportunity to furnish other information called for by the solicitation and not supplied in the original response, provided it does not affect the price of the contract and does not give the responding firm an advantage or benefit not enjoyed by other respondents, in accordance with the criteria established in the solicitation.

A firm shall not be permitted to correct a response for errors of judgment.

The Purchasing Agent or designee shall maintain complete and sufficient records of evidence used to identify the oversight and the clarified response.

G. Option to Reject, Waive, and/or Re-Solicit

The Purchasing Agent or designee shall maintain complete and sufficient records of evidence used to justify any action taken under this section.

1. The County reserves the right to reject a response which is in any way incomplete, irregular, amplified, unqualified, conditional, or otherwise not in compliance with the solicitation documents in all material respects.
2. The County may waive any informality, irregularity, immaterial defects, or technicalities in any response.
3. The Purchasing Agent may reject or cancel a solicitation, prior to or after receipt of responses, if it is determined that an award would not be in the best interest of the County. If the responses are rejected or the solicitation is cancelled, the County may re-advertise the product or service or negotiate, whichever is in the best interest of the County.

H. Evaluation and Award

Responses to a solicitation shall be evaluated and awarded based on the criteria specified in the solicitation. Responses shall be inspected, reviewed, and evaluated by the Purchasing Agent or designee, who may request input and/or assistance from other County staff. Awards shall be made to the firm who submitted the lowest responsive and responsible bid, or to the highest ranked firm, as determined by the method specified in the solicitation. All evaluations shall provide sufficient justification for the award recommendation.

Notice of awards shall be made available in a public forum and include the date of the award, the contract number, the successful vendor name and location, and the contract amount.

I. Option to Cancel Award

Failure on the part of the awarded firm within the time allowed to execute an awarded contract, furnish an acceptable performance bond, or comply with any other requirement imposed prior to execution of the contract shall be considered just cause for cancellation of the award and forfeiture of any applicable bid security. The Purchasing Agent or designee may award a contract to the next lowest responsible and responsive bidder, or to the next highest ranked firm, as determined by the method specified in the solicitation, re-advertise the solicitation, or take any other actions deemed appropriate by the County.

3.5. EXCEPTIONS TO COMPETITIVE SOLICITATION

The use of a competitive solicitation process is required unless there is an authorized basis for an exception, as defined below or as permitted for by law. Exceptions must be not exercised indiscriminately as a method of circumventing the competitive process and related County policies.

- A. Purchases made from other public agencies competitive solicitations, or by use of Joint Powers Agreements, Cooperative Purchasing programs, Pooling Agreements, and other recognized types of agreements used by government agencies to combine agency requirements for purchases.
- B. Expert and professional services which involve extended analysis, the exercise of discretion and independent judgment in their performance, and an advanced, specialized type of knowledge, expertise, or training customarily acquired either by a prolonged course of study or equivalent experience.
- C. Purchases of commodities and services from public and private non-profit corporations operating work centers for the handicapped as defined by the Welfare and Institutions Code.

- D. The Purchasing Agent or designee determines that it is in the best interest of the County to extend or renew a contract, provided the extension or renewal does not adversely affect the integrity of the original award. Such extensions or renewals shall not be excessively utilized without Board approval.
- E. The Purchasing Agent or designee determines that competitive proposals do not produce any advantage, or it is impractical to obtain what is required and to observe a competitive process.

3.6. SOLE SOURCE/SINGLE SOURCE

A contract or purchase may be awarded without a competitive process if it meets either of the following criteria:

- A. Sole Source – a product or service which is the only product or service that satisfies the department’s operational requirements, usually because of a technological, specialized, or unique character, or proprietary nature.
- B. Single Source – a product or service that can only be obtained from a sole provider.

3.7. EMERGENCY PURCHASES

An Emergency is defined as an unexpected and pressing situation which requires swift and immediate procurement action precluding regular procurement policy and is essential to public life, health, safety, or improved property of the County.

- A. Department Level Emergency – In the event of an emergency which requires immediate action at the department level and limits the ability of the County to conduct a competitive solicitation, the department director or authorized designee may authorize an exception to the standard Procurement Policy and related procedures to address an immediate need. Emergency purchases between \$4,000 and \$5,000 are subject to ratification by the Purchasing Agent, CEO, or their designee. Emergency purchases of \$5,000 or more are subject to ratification by the Board of Supervisors as required by Section 6.2B.
- B. Local Emergency – In the event of a local emergency proclamation, procurement actions necessary to acquire the goods and services required to address an immediate threat to life, public health, or safety, or to eliminate/reduce an immediate threat of significant damage to improved public and private property through cost-effective measures may be performed outside of the existing policy requirements. The existing policy may be modified, waived or suspended, where deemed necessary, subject to the approval of the Board of Supervisors, as prescribed in Public Contract Code Section 22050.

- C. State & Federal Emergency – In the event of an emergency declared at either a State or Federal level, all procurement actions necessary to acquire the goods and services required to address an immediate threat to life, public health, or safety, or to eliminate/reduce an immediate threat of significant damage to improved public and private property through cost-effective measures shall be pursuant to applicable State and/or Federal policies and procedures.

3.8. PROHIBITION AGAINST PROJECT LABOR AGREEMENTS

Except and unless as otherwise required by State or federal law as a contracting or procurement obligation or as a condition of the receipt of State or federal funds, the County shall not require a contractor on a County public project to execute or otherwise become a party to a project labor agreement as a condition of bidding, negotiating, award or performance of the public project.

Nothing in this subsection shall be construed as prohibiting private parties that may perform work on County public projects from voluntarily entering into project labor agreements or engaging in activity protected by law.

3.9. UNAUTHORIZED PURCHASES

All purchases must be made in accordance with this policy, other County Policies, as well as any and all applicable laws and are subject to audit at any time. Departments are responsible for ensuring that all purchases are made for official county business and make appropriate use of County funds.

The Purchasing Agent shall investigate any Unauthorized Purchase that is brought to his/her attention and determine the actions necessary to correct the matter. Actions may include but are not limited to: approval or ratification of the purchase by the Purchasing Agent or Board of Supervisors; return of the items purchased, and/or; refer the issue to the applicable Department Head for disciplinary action.

4.0 PLACER COUNTY PREFERENCE

4.1. LOCAL PREFERENCE

In recognition of the economic benefits provided by business located within Placer County, , a local preference credit of 5%, but not cumulatively greater than five thousand dollars (\$5,000), for Placer County businesses shall be permitted when evaluating competitive solicitations for supplies, equipment, materials and services that are not part of a public project. Procurement's determination regarding a business' local preference credit shall be final.

A business qualifying for a local preference credit shall meet the following criteria:

- Establish a place of business within Placer County at least six (6) months prior to publication of applicable competitive solicitation.
- Possess a valid resale license from the State Franchise Tax Board evidencing the business' local address within Placer County and that payment of the local share of the applicable sales tax goes to either a city within Placer County or to Placer County.
- Payment of applicable business and/or real property tax to Placer County for the most recent tax year.
- Maintain proper certification on file with Procurement that demonstrates compliance with the provisions of this section.

4.2. RECYCLED PRODUCTS

The County will actively encourage suppliers to offer recycled products that meet the County's performance requirements. A preference of up to 10%, but not cumulatively greater than five thousand dollars (\$5,000) may be given to solicitations for products meeting the definition of recycled product cited in California Public Contract Code. Discretion is given to the purchasing manager to make a determination as to whether to apply the discount and to what extent at the time of the development of the solicitation. Such discount will have measurable standards and shall be applied when required by statute or grant requirements.

5.0 PROTESTS

Any bidder or offeror who is aggrieved in connection with a solicitation or award of a solicitation, shall have the right to protest to the Director of Administrative Services. The aggrieved party shall submit a formal written protest to the Director of Administrative Services within five (5) County business days after such aggrieved party should have known the facts giving rise thereto. The alleged grounds for protest shall be limited to the following: (1) the County failed to follow the procedures or requirements specified in the bid document, Request for Proposal, or other solicitation; (2) County employees or evaluation committee members engaged in misconduct or impropriety, or; (3) the County's designation of the protesting bidder as non-responsive was incorrect due to an issue of fact or law not apparent on the face of the bid document or proposal. A formal written protest shall state all grounds claimed for the protest and include supporting documentation. Failure to file a formal written protest within the time prescribed shall constitute a waiver of all protest rights.

The Director of Administrative Services shall issue a decision within seven (7) County business days after receipt of the protest. The Director of Administrative Services' investigation shall respond to the protest on the grounds stated within the protest. The Director of Administrative Services' decision shall be final.

In the event of a timely and properly filed protest, the County shall not proceed further with the recommended award until the protest is addressed by the County unless the Director of Administrative Services, in consultation with the head of the requesting department, makes a determination that the award of a contract without delay is necessary to protect substantial interest of the County.

6.0 CONTRACT APPROVAL AUTHORITY

The Board of Supervisors, the County Executive Officer, the Purchasing Agent (or his/her designee), or a Department Head are responsible for the approval of County-issued contracts within the limits contained in this Policy, unless otherwise permitted by ordinance or as expressly authorized by the Board. The following policies set forth the requirements for execution of purchasing related matters.

6.1. BOARD OF SUPERVISORS APPROVAL REQUIRED

- A. All contracts required by law to be approved by the Board of Supervisors.
- B. All contracts with a total cost of more than \$100,000.
- C. Approval of recommended Qualified Lists and extensions thereof.
- D. Change orders, alterations, or addenda to a Board of Supervisors' approved contract for a public project which exceeds the limits prescribed in California Public Contract Code Section 20142.
- E. Change orders, alterations, or addenda to a Board of Supervisors' approved contract that changes or amends the contract in an amount that is greater than ten percent (10%) of the Board-approved amount or \$100,000 whichever is less.
- F. Sale, transfer, or disposal of surplus personal property, having an individual current value of more than \$5,000 as identified in the Placer County Capital Asset Inventory, unless otherwise prohibited by law.
- G. Emergency purchases of goods or services which require Board action in accordance with Section 3.7 of this Policy.
- H. Rejection of all responses to a solicitation, or cancellation of a solicitation, with a value of more than \$100,000. Board approval may be requested concurrently with approval to award the new solicitation.

6.2. BOARD OF SUPERVISORS RATIFICATION REQUIRED

- A. Change orders to construction contracts which ordinarily require Board of Supervisors approval, but are approved by the County Executive Officer or the administering department because of emergency, damage, decay, or where the public interest would suffer by delay, shall be submitted by the administering department at the next regularly scheduled Board meeting for ratification.
- B. Emergency purchases of \$5,000 or more must be submitted by the responsible department at the next regularly scheduled Board meeting.

6.3. PURCHASING AGENT OR DESIGNEE APPROVAL AUTHORITY

- A. All contracts with a total cost of \$100,000 or less.
- B. Change orders, alterations, or addenda to a Board of Supervisors' approved contract that changes or amends the contract in an amount that is not more than ten percent (10%) of the Board-approved amount, not to exceed \$100,000, provided the change does not adversely affect the integrity of the original award, and authority for such changes was included with the original Board approval.
- C. Purchases involving a trade-in of less than \$10,000, per California Government Code Section 25503, provided the total contract amount before trade-in does not exceed \$100,000.
- D. Rejection or cancellation of solicitations with an apparent contract award amount of \$100,000 or less.
- E. Ratification of Department Level Emergency purchases between \$4,000 and \$5,000.

6.4. COUNTY EXECUTIVE OFFICER (OR ACTING CEO) APPROVAL AUTHORITY

- A. Contracts with a value of \$100,000 or less for professional services including, but not limited to, studies, investigations, audits, surveys, consulting, or planning.
- B. Contracts for environmental impact reports (EIRs) for County-funded projects up to the limit authorized by California Government Code Section 25502.5.
- C. Ratification of Department Level Emergency purchases between \$4,000 and \$5,000.

6.5. DEPARTMENT HEADS AUTHORITY

- A. Department Heads may authorize Small Purchases of goods or services in accordance with Section 3.2 of this policy.
- B. When the Department Head is authorized to execute contracts, subsequent change orders, alterations, or addenda to a Board of Supervisors' approved contract that changes or amends the contract in an amount that is not more than ten percent (10%) of the Board-approved amount, not to exceed \$100,000, provided the change does not adversely affect the integrity of the original award, and authority for such changes was included with the original Board approval.

7.0 VEHICLE REGISTRATION

Procurement is responsible for all administrative actions required for the registration of all County-owned vehicles and heavy equipment, except as otherwise provided by law. This provision includes processes required for newly acquired vehicles, as well as vehicles approved for disposal, transfer, or sale.

8.0 SURPLUS PROPERTY

In accordance with Placer County Code Section 2.104.070 and Government Code Section 25504, County departments shall transfer excess property to the Procurement Services Division. Procurement shall sell, transfer, donate, dispose of, or exchange surplus property as provided by Placer County Code, Government Code, and Board of Supervisors' direction. Surplus auctions shall be advertised in a public forum for a minimum of 14 calendar days unless expressly authorized by the Purchasing Agent. The proceeds of surplus property dispositions shall be deposited into the County treasury.

County employees shall not either directly or indirectly participate in the purchase of surplus property if the employee is responsible for surplus declarations, the acceptance of an offer, or assigned to the surplus program within the Procurement Division.

9.0 PROCUREMENT CARD

Procurement is responsible for all administrative actions required for authorization, distribution, and appropriate use of the County Procurement Card for the acquisition of goods and services as provided by the Placer County Procurement Card Policy. The procurement card is a recommended tool for delegated purchasing.

10.0 ETHICS

Placer County employees shall adhere to the Placer County Code of Ethics and shall perform their duties impartially so as to assure fair competitive access to the County's procurement process by all responsible suppliers, contractors, and providers of services and to foster public confidence in the integrity of the County's procurement process.

County employees shall not solicit or accept any fee, compensation, gift, payment of expenses, or promise of compensation in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a requirement, specification, standard, or contract. Employees shall discourage any inappropriate contact or encroachment on one's official duties by anyone who seeks to influence a procurement decision, and shall conduct their dealings with all suppliers of goods or services in a fair and impartial manner that guards against even the appearance of impropriety.

CONFLICT OF INTEREST:

County employees shall not participate directly or indirectly in a procurement when the employee knows that: (1) the employee or any member of the employee's immediate family has a personal financial interest pertaining to the procurement; (2) a business or organization in which the employee, or any member of the employee's immediate family, has a personal financial interest pertaining to the procurement; or (3) any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

Upon discovery of an actual or potential conflict of interest, an employee shall promptly withdraw from further participation in the transaction involved and notify his/her immediate supervisor and Procurement of the conflict.

VENDOR ETHICS:

No supplier, provider of services, bidder, offeror, contractor, or subcontractor shall offer any County employee any gift, gratuity, offer of employment, or anything of value in consideration for a preference, waiver, or any manner of influence in a current or future procurement action. Violation of this policy may result in debarment at the discretion of the Board of Supervisors.

11.0 DEBARMENT

The Board of Supervisors shall have the authority to debar a person or firm from consideration for award of contracts. This action shall not be construed as to limit or prejudice any administrative or legal action available to the Board of Supervisors.

The causes for debarment include, but are not limited to the following:

- Conviction of a crime or civil judgment against the person or firm which directly affects the present responsibility of a contractor or subcontractor.
- Violation of the terms of a public agency contract or subcontract.
- Violation of the County's ethical standards.
- For any other cause the Board of Supervisors determines to affect responsibility as a County contractor.