

California Fire & Rescue Training Authority

POLICY HANDBOOK

POLICY TITLE: Purchasing & Procurement
POLICY NUMBER: 3080

Issue Date: 8/7/1998
Revised: 11/12/2008

3080.1 Introduction:

The purpose of the Purchasing and Contracting Policy is to consolidate in one document a summary of procedures for the purchase of all equipment, material, supplies, and services, including construction services, to be utilized by the California Fire & Rescue Training Authority ("Authority") in meeting its mission.

The intent of this Policy is to seek and stimulate competition; purchasing personal property and services which meet appropriate standards of quality; assure that all qualified and responsible suppliers have an equal opportunity to do business with the Authority; utilize accepted public purchasing practices which promote the public interest; comply with all federal, state and local laws; conform to ethical business practices in all transactions; and accomplish procurement in a manner that will inspire good business relationships and insure the confidence of the public.

In addition to entering into transactions pursuant to this Policy, the Authority may contract for purchases through any one of its member agencies, according to the procedures used by that agency.

3080.2 Definitions:

3080.2.1 Authority – The California Fire & Rescue Training Authority.

3080.2.2 Council – The governing body of the Authority.

3080.2.3 Executive Director – The Authority Executive Director appointed by the Council, or the Executive Director's designee.

3080.2.4 Construction – The work of constructing, altering or improving buildings or facilities, including labor and materials.

3080.2.5 Emergency – An unforeseen circumstance in which an immediate purchase, service, or construction is necessary in order to avoid a substantial hazard to life, health, or property or a serious interruption of the operation of the Authority.

3080.2.5 Purchase – Any contractual arrangement or transaction involving payment for the acquisition of title to personal property; the use by rental, lease or otherwise of personal property; the provision of services by independent contractor or otherwise; or any combination of the foregoing.

3080.2.6 Personal Property – includes goods, materials, supplies, vehicles, machinery, furnishings, equipment and any other tangible article required for the conduct of Authority business.

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3080.3 Purchases of Personal Property and Services

- 3080.3.1** Except as otherwise provided by law, all purchases of personal property and services shall be made in the name of the Authority.
- 3080.3.2** Amounts included in the annual budget approved by the Council for the purchase of specifically identified items of personal property or services shall constitute spending authority to the Executive Director for such items of personal property up to the approved amounts. All purchases shall comply with formal or informal bidding requirements set forth herein.
- 3080.3.3** Where the cost of personal property or services exceeds five thousand dollars (\$5,000.00) but less than fifty thousand dollars (\$50,000.00), the Executive Director shall follow the informal bidding procedure set forth in Section 3080.5, and may award the contract without first obtaining specific authorization by the Council.
- 3080.3.4** Where the cost of personal property or services is fifty thousand dollars (\$50,000.00) or more, the Executive Director shall follow the formal bidding procedure set forth in Section 3080.6, and the contract shall be awarded by the Council.
- 3080.3.5** The Authority may contract with member agencies, or individual employees of member agencies, or other governmental entities, to provide training services and other services to the Authority.

3080.4 Construction Projects

- 3080.4.1** Where the cost of a construction project is less than fifty thousand dollars (\$50,000.00), the Executive Director may, but shall not be required to use the informal bidding procedures set forth in Section 3080.5.
- 3080.4.2** Where the cost of a construction project is fifty thousand dollars (\$50,000.00) or more, the Executive Director shall follow the formal bidding procedure set forth in Section 3080.6, except as herein modified, and the contract shall be awarded by the Council.
- 3080.4.3** Requirements for the formal bidding of a construction contract additional to those in Section 3080.6 are:
- 3080.4.3.1** The Council shall approve plans and specifications for the construction project, either before the project is released for bid, or at the time that the contract award is made. The plans and specifications shall be full, complete, and accurate, and shall provide adequate direction

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to enable any competent contractor or other building to carry them out. Plans and specifications shall be sufficiently certain and definite upon all of the details of the work which affects costs to apprise bidders of all of the essential and substantial parts of the work and enable them to know with reasonable accuracy the outlay they will have to make in performing the work to be contracted for.

3080.4.3.2 Each bidder shall submit bid security in the amount of 10% of its bid to protect the Authority from extra costs in the event the successful bidder fails to execute a contract, including staff time, advertising, materials, and other costs incurred because of delay in awarding a contract. Acceptable security is a certified or cashier's check made payable to the Authority or a surety (bid) bond from a surety approved by, and in a form acceptable to, Authority. If the bidder to whom the contract is awarded fails or neglects to enter into the contract and provide the required performance bond within 20 days after notification of award, the bid security shall be forfeited.

3080.4.3.3 Performance bonds and payment bonds in the amount of one hundred percent (100%) of the contract price, insuring the contractor's performance of the contract, shall be provided by the successful bidder on all projects of twenty-five thousand dollars (25,000.00) or more. The bonds shall be written by a surety or sureties admitted to do business in California and acceptable to the Authority.

3080.4.3.4 Contracts shall be let only to a holder of a valid state contractor's license unless the work is exempt from licensing requirements by law.

3080.4.3.5 Cost records of the work shall be kept in the manner provided in Chapter 1 (commencing with Section 4000) of Division 5 of Title 1 of the Government Code.

3080.5 Informal Bidding Procedures

Whenever this policy requires use of informal bidding procedures, the Executive Director shall obtain, if available, a minimum of three written or verbal quotations or proposals relative to the personal property or services to be acquired for the construction project. The Executive Director shall award the contract to the vendor or contractor whose quotation or proposal, in the Executive Director's discretion, most adequately meets the needs of the Authority at the lowest price.

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3080.6 Formal Bidding Procedures

Whenever this policy requires use of formal bidding procedures, the following procedures shall be used:

- 3080.6.1** The Executive Director shall give notice inviting sealed bids or proposals. The notice inviting bids or proposals shall, at a minimum:
- 3080.6.1.1** Be published at least twice, at least five days apart, in a newspaper of general circulation within the jurisdiction of the Authority. The first publication or posting of the notice shall be at least 10 days before the date of opening of bids. A copy of the notice shall be posted for five days at or near the door of the Council's meeting room.
 - 3080.6.1.2** Describe the property or services to be acquired, or the construction work to be done.
 - 3080.6.1.3** State where and when specifications can be obtained and the non-refundable fee charged for plans and specifications.
 - 3080.6.1.4** State bid security, performance bond and payment bond requirements, if any.
 - 3080.6.1.5** State the place and deadline for submitting sealed bids or proposals, and the date and time of bid/proposal opening.
 - 3080.6.1.6** State a contact person and telephone number.
 - 3080.6.1.7** Require the successful bidder to provide proof of appropriate insurance coverage, to the satisfaction of the Authority, such as a comprehensive general liability policy, a professional errors and omissions policy, or a workers' compensation policy, depending upon the nature of the personal property, services, or construction requested.
- 3080.6.2** Bids/proposals (hereafter "bids") received shall be time-stamped and deposited unopened in the bid file. Any bid received subsequent to the time of closing as stated as stated on the request for bids shall be time-stamped and returned to the bidder/proposer (hereafter "bidder").
- 3080.6.3** At the date and time stated in the notice, the Executive Director shall open the bids and read aloud and identify the bidders and the dollar amount bid by each. The Executive Director thereafter shall evaluate the bids and make a recommendation to the Council for award to the lowest responsible bidder. The lowest responsible bidder is the bidder who

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most adequately meets the needs of the Authority at the lowest price. In determining the best bid, in addition to price, the Executive Director shall consider the quality, availability and functionality, or other suitability of the bid, including whether the bidder can perform within the time specified, the character, integrity, reputation, judgment, experience and efficiency of the bidder, the quality of performance of previous contracts or services, previous and existing compliance by bidder with laws and ordinances relating to the contract, the sufficiency of the financial resources and ability of the bidder to perform the contract, and the number and scope of conditions attached to the bid.

3080.6.4 The Council may reject any or all bids. If the Council rejects all bids, it may either re-advertise for additional bids or, upon a unanimous vote, adopt a resolution authorizing the acquisition of the property or service or contracting for construction work without further compliance with formal bidding requirements.

3080.6.5 If no bids are received, the Council may undertake to acquire the property or service, or contract for construction work, without further compliance with formal bidding requirements.

3080.6.6 The award of contracts by competitive bidding shall not be required:

3080.6.6.1 When a patented or proprietary item is being purchased;

3080.6.6.2 In the event of an emergency pursuant to section VII.D;

3080.6.6.3 When the following types of personal property or services are being acquired, obtained, rented or leased: (a) advertising; (b) books, recordings, motion picture films; (c) subscriptions; (d) public utility services; (e) travel services; (f) property or services provided by or through other governmental agencies, or obtainable from a supplier which has in force a current contract with another governmental agency for the same item or service; or (g) property or services of which the price is fixed by law.

3080.6.6.4 When the Council determines by unanimous vote that it is in the best interest of the Authority to suspend competitive bidding for any contract.

3080.7 General

3080.7.1 Executive Director's Authority.

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The Executive Director may enter into contracts not exceeding \$50,000. Contract in excess of \$50,000 shall be entered into by the Executive Director upon direction and approval of the Council.