

**CITY OF ALBANY
CENTRAL SERVICES DEPARTMENT**

**POLICIES
AND
PROCEDURES**

Approved by City Commission: February, 2005

PROCUREMENT

LEGAL AUTHORITY

Section 4, paragraphs 8 and 14 of the City Charter gives the City Manager the authority to make and execute all lawful contracts for agencies under his/her supervision. It generally provides that all purchases of \$40,000 and above have to be approved by the City Commission except as may be otherwise provided by law or by ordinance.

Section 2-286 of the City Code provides that no contract for Public Works amounting to \$5,000 or more will be let except to the lowest and best bidder. In such event, reasonable advertisement shall be afforded at least five days prior to the date set for receiving such bids.

Section 2.287 of the City Code gives the City Manager the authority to make purchases up to \$5000 and repair and maintenance expenditures of up to \$10,000. Procurements of over these amounts must be given the opportunity for competitive bids after reasonable advertisement thereof. Professional services such as consultants, architects, engineers, accountants, attorneys and other professional advisors require no advertisement or competitive bid or proposal. If purchases exceed \$40,000, they must be approved by the City Commission. This section also gives the City Manager the authority to sell surplus property up to \$5,000, with over that amount requiring Commission approval prior to selling.

Section 24.34 of the City Code provides that in all cases where street improvements amounting to \$5,000 or more performed by contract shall be let to the lowest and best bidder after advertisement of at least three times during an interval of thirty days prior to the date set for receiving such bids.

POLICY

The Procurement Division will follow the principals and policies as set forth in the Model Procurement Code for State and Local Governments as approved by the American Bar Association, as well as all local, State and Federal statutes, laws and regulations where applicable.

The Procurement Division, when issuing bids or proposal requests on behalf of Departments or Commissions, such as The Albany Transit System, Albany-Dougherty Airport Commission and Community and Economic Development, which have special requirements by the State of Georgia or the Federal Government, will comply with the purchasing procedures and standards as set forth in the various statutes and regulations, as well as incorporate by reference all of the required contract clauses, submittals and certifications into any contract resulting from the solicitations.

Procurement of goods and supplies will be conducted in such a manner as to increase public confidence in the quality and integrity of the procedures followed by the Procurement Division.

The Procurement Division will provide openness and access to procurement records to all vendors to encourage competition and lower costs. However a competitor's bid or proposal may be viewed only, as a duplicate will not be provided, due to the probability of the document being used for commercial purposes which is prohibited by the Open Records Act.

No purchase except by formal sealed Bid may be made from a firm with which any member of the City Commission, any City Official or any City Employee has a financial interest, either direct or indirect.

Participation by local, minority, and disadvantaged (DBE) firms is strongly encouraged. Toward that end, the Procurement Division requests and includes a DBE goal assignment from the Small & Disadvantaged Business Utilization office for every formal solicitation. The Procurement Division also recommends that at least one DBE vendor be consulted on every informal solicitation.

All requests for prices or for specified services and all purchases must be made by the Procurement Division. (Exceptions: Public Works Street and Sewer Improvements). In some instances, authority to request prices may be delegated to others by Procurement.

In cases of extreme emergency, and only in such cases, an exception to the above policy may be made with the understanding that the head of the department placing the emergency order, personally assumes the responsibility of immediately following up the verbal order given by himself or his representative, with the proper department requisition.

If necessary to interview salesmen regarding the details of their products, other departments should request such visits through the Procurement Division. Testing or trial of materials or equipment should be conducted through the Procurement Division.

Only Procurement personnel should discuss prices, quantity or changes with supplier representative, during the bid or proposal process.

All correspondence with suppliers during the bid request is to be through the Procurement Division, except in special cases where the technical details involved make it advisable to delegate authority to others. In such cases, the Procurement Division must receive copies of all correspondence.

The Procurement Division shall effectively maintain all City contracts for goods and services, act as contract administrator of City-wide contracts, and mediate between City departments and Contractors.

The Procurement Division will participate in all adjustment negotiations, and approve any variance between purchase order and invoice.

The Procurement Division has full authority to review the quality, quantity, and kind of material requested, in order that the best interests of the City may be served.

RESPONSIBILITY

The Procurement Division has responsibility for the following:

Rendering procurement services on a prompt, efficient and expeditious basis with minimum lag-time.

Establishing reasonable requisitioning dates for the purchase of particular items of supply in order to procure materials, goods and services at the most favorable bulk (volume) rate or contract price.

Receiving all requisitions.

Providing assistance to requesting agencies with the development of written specifications, and ensure specifications are free for open competition.

Knowledge of local, state, and federal bid requirements, procedures, and standards.

Interviewing and selecting appropriate vendors and maintaining current vendor file.

Selecting correct procurement procedures, to include group purchasing, if most effective.

Obtaining prices through telephone, informal or formal bid requests or formal proposals.

Analyzing, evaluating and tabulating price quotations and proposals.

Awarding bids within legal authority.

Making recommendations to the Board of Commissioners on bid awards above the stated authority.

Issuing purchase orders, contracts and change orders.

Participating in the review of all requests for grants by City departments.

Arranging or attending all product demonstrations or trials.

Researching frequent purchases in order to provide either Blanket Purchase Orders to the vendor, or elect to stock often used supplies in the Storeroom.

Administering City-wide contracts and monitoring departmental contracts.

Maintaining Procurement specification, quotation and purchase order files.

Compiling statistical reports and records to include end of the year totals, and DBE usage report.

Following up and expediting delivery as requested after issuance of purchase order.

Reviewing and approving all receiving reports and invoices which deviate from the purchase order.

Auditing Field Purchase Orders for compliance to policy.

Issuing gas credit cards for out of town travel in City vehicles

Advising, and issuing bid or proposal requests for the Dougherty County Board of Commissioners as requested.

FILES

All procurement files (with the exception of proprietary proposals) are open to the general public as well as City departments and may be reviewed upon request.

There is a fee for duplication of documents of twenty-five (25) cents per copy with a \$2.00 minimum, plus labor.

THE COMMODITY LISTING

All equipment, tools, supplies and services used by the City of Albany departments are assigned a commodity number.

Commodity numbers are utilized by vendors in indicating what products they furnish.

Commodity numbers are utilized by Procurement in selecting available vendors for the product as well as a tool to collect usage and other historic data.

City departments use the commodity number in entering requisitions which will aid in budget preparation.

VENDOR FILE

The Procurement Division maintains an open vendor list; pre-qualification is not necessary, vendors may be included upon request.

The Bidders' List Application should be completed by the vendor and returned to Procurement clearly indicating the commodities the company furnishes, utilizing the commodity listing provided by Procurement.

Each vendor is assigned a vendor number and will be listed on the Bidders List for the products and services the company selected, but will not be evaluated for responsibility until they are being considered as the source of the purchase.

Vendors may be deleted from the vendor file if either of the following situations occurs:

- a. Vendor information is incorrect. It is the vendor's responsibility to keep the Procurement Division informed as to changes in their location, telephone number, or company make-up.
- b. Vendor does not respond by either bid or no-bid to three successive requests for bid.

A vendor may be suspended from bidding for a period of up to one year for cause if any of the following occur:

- a. Vendor fails to successfully complete a previous contract with the City of Albany.
- b. Vendor is in arrears to the City of Albany.
- c. Vendor fails to accept two consecutive bid/proposal awards within a six month period.
- d. Vendor knowingly and willingly provides fraudulent information to the City of Albany.

THE BIDDERS LIST

Equipment, services and supplies used by the City may be accessed by commodity number and a listing is provided of every vendor recorded as providing the item. The list will indicate DBE firms.

SPECIFICATION FILE

The Procurement Department maintains a copy of all specifications used in previous bid requests, for a minimum of five years.

BID/PROPOSAL FILES

The Procurement Division maintains records of all bid and proposal requests for a minimum of five years. A log is kept of bid reference numbers and results. These Files include:

- Copy of requisition
- DBE goal assignment from SDBU office
- List of vendors sent the request for quotation.
- Copy of all bid documents and specifications
- Copies of all quotation responses
- Advertisement
- Tabulation of results
- Recommendation to Commission or City Manager
- Purchase Order number issued the successful vendor(s)
- Pertinent correspondence

CONTRACT FILE

The Procurement Division maintains files of all supplies and services acquired on a contractual basis for a stated period of time. Logs are kept of all Contracts, listed by vendor, listed by commodity and listed by review date, to insure sufficient lead time for renewal or re-bid. Contract Files include:

- Copy of the contract and/or purchase order with start and stop dates
- Successful bid or proposal response
- Specifications
- Special instructions
- Additional Purchase orders issued against the Contract Purchase Order.
- Correspondence

BID/PROPOSAL SOLICITATION

SOLICITATION POLICY

The City Commission must give approval of purchases over \$40,000

The City Manager has authority to approve purchases of up to \$40,000

The Director of Central Services has authority to approve purchases of up to \$20,000. This authority is delegated to the Procurement Manager in the absence of the Director.

The Procurement Manager and Buyers have authority to approve regular purchases of up to \$5,000, and maintenance purchases of up to \$10,000.

Telephone or informal quotes are preferred on items of over \$500.00, and required on items of over \$1000.00.

Maintenance and repairs of over \$10,000 and other equipment, supplies, and services of over \$5000 with the exception of professional services, require a formal bid or proposal request, with advertisement in local papers for three days.

Bid requests using State or Federal funding as well as City monies follow the dictates of the agency with the most stringent policy.

Contracts for services and supplies are renewed or re-bid in a timely manner to insure continuation of the requirement without lapse.

considered sufficient cause for all proposals or bids in which he is interested being rejected.

A tabulation of all bids received shall be made available for public inspection within two (2) working days.

Bids will be awarded to low bid meeting specifications provided that the bidder has the knowledge, skill, financial resources and experience to provide service or supply and the ability to maintain parts and service. Previous experience with the bidder and reputation will be used to make the evaluation.

Local bidder (domiciled in Albany City Limits) will receive bid in the event of tie bids. In the case of tie bids between out of town companies or between local concerns, evaluated as equal, bid will be recommended or awarded by chance coin toss, or drawing straws.

SOLICITATION PROCEDURE

A requisition is assigned to a Buyer for purchase.

The assigned Buyer decides if the item is to be purchased as:

- A small item from one source
- A telephone quotation
- An informal bid or proposal
- A formal bid or proposal
- Available for purchase on a State Contract.

If item is to be purchased by formal bid procedure, the Buyer must be knowledgeable of all requirements such as:

- Performance Bond
- Bid Bond
- Insurance
- Advertisement

For more complex or unusual bids and proposals, a pre-bid/pre-proposal conference should be held to clarify the specifications or requirements.

The criteria for evaluating all bids or proposals should be clearly stated in the bid documents.

The Buyer selects vendors to receive the bid request, with suggestions as made by the using department.

The Buyer involves the using department in every stage of clarification of specifications and sends the department head a copy of the final bid request documents for review and approval.

Any changes, deletions or additions to the bid documents made after bid request are mailed to vendors in the form of an addendum.

After bid opening, the assigned Buyer evaluates the bid and either awards bids within his/her authorized authority or makes recommendation on award of bids over his/her authorized expenditure limit.

VENDOR PROTEST PROCEDURE

CHAIN OF COMMAND Whether protesting suspension from the bidder's list or award of a bid/proposal, the following chain of command is in effect:

- 1) Procurement Manager
- 2) Central Services Director
- 3) City Manager
- 4) City Commission

When filing a bid/proposal protest, the following actions must take place:

- 1) Submit a written complaint detailing the basis of the protest within ten (10) days of award date.
- 2) Allow three (3) business days for response to protest. If not satisfied with response, submit a written complaint to the next person in the above chain of command within three (3) business days following receipt of response to request a hearing.

Vendors may expect the above outlined process if continued to the City Commission level to be exhausted within forty-five (45) days following award date.