



ORANGE COUNTY COUNCIL OF GOVERNMENTS PROCUREMENT POLICY

SECTION 1: PURPOSE

1.0 This Policy sets forth the rules and procedures for OCCOG's procurement activities. As a recipient of federal and state funds, OCCOG has the responsibility to ensure that its procurement process complies with all applicable federal, state, and agency legal requirements, is based on sound business practices, is conducted in a manner that ethically serves the best interest of OCCOG and the public, and ensures fair and open competition.

SECTION 2: PURCHASING AUTHORITY

2.0 Purchasing Manager. The Executive Director of OCCOG is hereby designated as its Purchasing Manager.

2.1 Purchasing Manager Authority. The Purchasing Manager is authorized to purchase or lease materials, supplies, services, and equipment without prior authorization of the Board of Directors (Board) if the total (not annual) cost is \$10,000 or less. All other purchases shall require Board authorization. Amendments to contracts approved by the Board, or amendments to contracts approved by the Purchasing Manager which will result in a total contract sum of more than \$10,000, shall be approved by the Board.

SECTION 3: COMPETITIVE PURCHASING PROCEDURES

3.0 Estimates. Prior to making a purchase, the Purchasing Manager shall make a good faith estimate of the amount of the purchase, using available information regarding market rates, in order to determine the appropriate purchasing procedure. However, inaccurate estimates shall not invalidate any procurement procedure or purchase, provided that all estimates shall be made in good faith and prices shall not be intentionally underestimated, nor shall purchases be split or separated into smaller orders, in order to avoid more formal procurement procedures.



3.1 Purchasing Procedures; Thresholds. Except as provided in Sections 3.4 and 3.5, the Purchasing Manager shall make purchases or enter into leases and contracts in accordance with the following requirements:

Amount of New Contract

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| \$500 or less: | Purchases shall not require competitive bidding but may be made following the receipt of at least one price quote or proposal. |
| \$501 – \$10,000: | Purchases shall be made following the receipt of at least three written price quotes or proposals, which may be solicited using any means reasonably calculated to obtain a combination of the lowest price and highest quality of goods or services available. Such solicitations do not need to be published in a newspaper and may be made by posting a notice in a public location, including a website, or by mail, fax, or email. The Purchasing Manager shall keep a record of all such solicitations and the price quotes or proposals submitted in response thereto. |
| \$10,001 or more: | Purchases shall be made following the posting of a written solicitation. Such written solicitations and offers or responses thereto may be in any reasonable form, as may be determined by the Purchasing Manager. Such written solicitations shall be posted in at least one publicly accessible location likely to reach the intended service provider, supplier, or vendor. The posting location may include OCCOG’s website, an electronic bulletin board, a newspaper of general circulation, or a trade journal, magazine, or other publication, whether in print or electronic. Each solicitation shall describe the purchases sought and all other requirements, including the quantity and |



quality thereof, any desired warranty, the time, place and manner of delivery of the purchases, the desired terms of payment, and the form, method, and timing of the response or offer to the solicitation.

3.2 Award of Contract.

- A. Rejection of Bids. OCCOG may reject all bids in its sole discretion.
- B. No Bids Received. If no bids are received, OCCOG may make the purchase by any reasonable and available means, notwithstanding the other requirements of this Policy.
- C. Lowest Responsive and Responsible Bidder. If a contract is awarded, it shall be awarded to the lowest responsive and responsible bidder, except that the award of contracts for professional services shall be based on the criteria specified in Section 3.3.
 - (a) A responsive bidder is a bidder whose bid or proposal conforms to the specifications in the solicitation.
 - (ii) A responsible bidder is a bidder capable of performing the services or providing the supplies or equipment in a professional manner as reasonably determined by the Purchasing Manager. In determining whether a bidder is responsible, consideration may be given to the following factors:
 - (a) The quality of the items or services offered;
 - (b) The ability, capacity, and skill of the bidder or vendor to perform the contract or provide the services;
 - (c) The ability, capacity, and skill of the bidder or vendor to perform the contract or provide the service promptly, within the time specified, and without delay or interference;
 - (d) The character, integrity, reputation, judgment, training, experience, and efficiency of the bidder;
 - (e) The sufficiency of the bidder's financial resources; and
 - (f) The ability of the bidder to provide such future service as may be needed.

3.3 Professional Services. Selection of persons or firms to provide professional services shall be based on demonstrated competence and on the professional qualifications necessary for the



satisfactory performance of the services required. The price for the services shall be reasonable and competitive but OCCOG is not required to award the contract to the lowest bidder.

3.4 Public Works Projects. Contracts for public works projects shall be solicited and awarded in accordance with applicable state or federal laws. OCCOG's general counsel shall be consulted regarding contract requirements for public works projects.

3.5 Exceptions to Competitive Bidding. The procedures in this Section 3 shall not apply to purchases or contracts that satisfy one or more of the following criteria:

A. No competitive advantage; sole source. Purchases for which no competitive advantage would be gained from competitive pricing, such as when equipment, goods, materials, supplies, personal property, or services are unique and are only available from one source. However, sole source purchasing shall only be permitted for purchases of up to \$30,000. For purchases totaling more than \$30,000, the Purchasing Manager shall use the competitive bidding procedures described in this Section.

B. Cooperative purchasing. Purchases made through a cooperative purchasing agreement.

C. "Piggyback" Purchasing. Purchases where the vendor was awarded a bid by another public agency, said agency used purchasing procedures substantially similar to those that OCCOG would have been required to use, and the vendor offers the same price(s) to OCCOG that it offered to the other agency.

D. Emergency purchases. Purchases made when there is an emergency, as determined by the Executive Director, threatening life, health, or safety, and services and/or goods must be procured immediately to prevent loss. Emergency purchases in excess of \$500 must be presented at the next regular Board meeting for ratification by the Board.

E. Bidding Impractical. Purchases for which bidding would be impractical, inefficient, or otherwise not in the best interest of OCCOG, as determined by a Board resolution stating the basis for such determination.

F. Amendments and Extensions. Amendments to existing contracts, including amendments that extend the term of the contract or increase the compensation due under the contract.

G. Existing Contracts. Contracts in place as of the date this Policy is adopted.

3.6 Price Discrepancy. Should a discrepancy exist in prices, the bid price shown for the unit price



or lump sum item shall take precedence over the bid price shown for the total.

3.7 Security. All bidders must supply such bidders' security, payment bonds, and/or performance bonds as are required by law or as are determined to be appropriate by the Purchasing Manager.

SECTION 4: PURCHASES USING STATE OR FEDERAL FUNDS

4.0 Notwithstanding any other provision of this Policy, if a purchase is funded in whole or in part by state or federal grant funds and the grant requires OCCOG to use specific purchasing procedures that are inconsistent with the requirements of this Policy, then OCCOG shall follow the grant requirements. OCCOG's general counsel shall be consulted regarding contract requirements for purchases with state or federal funds.

SECTION 5: DISPOSITION OF OCCOG PROPERTY

5.0 Except as hereinafter provided, upon a finding by the Board of Directors that property belonging to OCCOG is no longer required for OCCOG purposes, the Purchasing Manager shall proceed to dispose of the property as authorized by the Board.

5.1 With respect to any item of equipment and supplies determined by the Purchasing Manager to have a current value of \$2,500 or less, the Purchasing Manager is authorized to determine whether or not such item of equipment is surplus to OCCOG needs and thereupon may dispose of it in such manner and for such consideration as will best serve the interests of OCCOG without expressed consent of the Board of Directors. Such disposal, and the reasons therefore, shall promptly be reported to the Board of Directors, unless the amount or value received is \$500 or less.