



**CITY OF CHIPLEY
FLORIDA**

**PURCHASING MANUAL
POLICY NUMBER 99-1
AUGUST 1999
(Updated: 05/09/2023)**

CITY OF CHIPLEY, FLORIDA

Purchasing Manual

SECTION 1. INTRODUCTION. On October 13, 1999, the Chipley City Council adopted Ordinance # 789 amending the Chipley Administrative Code. This ordinance officially designates the Finance Director~~City Clerk~~ to serve as Purchasing Officer. Upon adoption of the Code, Article V, entitled “Finances” was incorporated for use by all City officials in providing consistent and cost effective purchasing services to the departments and agencies that render services to the citizens of Chipley, Florida.

The Office of Purchasing is dedicated to providing the Chipley City Government with standardized procedures to accomplish its operational missions in the most cost effective and efficient manner and to provide fair and equitable treatment of all vendors that wish to sell supplies, services and equipment to the City of Chipley.

Specific goals are to assist all City Departments with their purchasing activities; to provide cost effective and competitive procurement of supplies, services and capital equipment needed to provide services to the citizens of the City; and to fairly administer the Procurement Policies and Procedures established by the Chipley City Council.

This manual constitutes the City Purchasing Policy, provides the basics of the purchasing process, and supplements financial regulations enumerated in Chapter 2 of the City Code.

SECTION 2. PURPOSE. The purpose of this manual is to provide direction and to facilitate understanding of the City’s purchasing functions, policies and procedures. The city of Chipley hereby implements operating procedures consistent with the City Code in managing the commitments of funds entrusted to the City.

Policy administration for acquisition of supplies, equipment and services necessary for the daily operations of the City is the responsibility of the Purchasing Department, operating under the direct supervision of the Finance Director~~City Clerk~~. The City Administrator shall have authority over all City Departments in ensuring all laws, policies, and purchasing procedures are faithfully executed.

This manual is provided as a tool to assist the City staff in working with the Purchasing Department. It may be used as a reference to address specific issues and as a training tool. Periodically, sections of the Purchasing Manual will be updated to reflect changes in operating policies and procedures. Each revision will be forwarded to the Department Heads for inclusion in the Purchasing Manual. Suggestions for procedural changes or for additional information are encouraged and will always be welcomed.

SECTION 3. INTER-DEPARTMENTAL RELATIONS. Cooperation and understanding between departments is essential to the effective operations of the Purchasing Department. The Purchasing Department will establish and maintain close liaison with the departments in order to meet their purchasing needs and requirements. Every effort is made to purchase commodities in a timely manner and in accordance with the department’s requirements.

SECTION 4. FUNCTIONS AND RESPONSIBILITIES. The primary function of the Purchasing Department is to monitor all purchases of supplies, materials, equipment, and services required by the City and to maximize, to the fullest extent practical, the purchasing value of public funds entrusted to the City. The Purchasing Officer is responsible for carrying out the tenants of the City Financial Code, as approved by the City Council, and for establishing and administering purchasing policies. The city Council reserves sole authority for entering into and administering contracts for the procurement of goods and services. No contract may be made by any elected or appointed officer of the City unless such authority is granted in open session of the City Council at a regular or special meeting. Any City official who obligates a contract under any other circumstance may be assuming personal liability for the commitment.

a. Purchasing Department Responsibilities:

1. Become acquainted with the needs of all departments and divisions.
2. Provide training in purchasing policies and procedures.
3. Provide assistance in the preparation of specifications.
4. Research new sources of supplies and services.
5. Process all requisitions and purchase orders in a timely manner.
6. Review specifications to assure they are not proprietary in nature and allow for open competition.
7. Expedite the delivery of purchases as needed.
8. Work with the Departments in resolving problems with defective merchandise or the return of goods; and to negotiate the return of merchandise and/or settlement.
9. Develop purchasing objectives, policies, programs and procedures for the purchase and contracting of all materials, supplies, equipment and services.
10. Act as the City's representative on all matters pertaining to purchasing and contracts.
11. Monitor the purchases of all supplies, materials, equipment and contractual services required by the City and insure compliance with applicable statutes, rules, regulations, and policies.
12. Determine, through appropriate methods, the lowest or highest responsible and responsive bidder, as the case may be.

13. Establish and maintain programs for the inspection, testing and acceptance of goods and services in cooperation with the departments.
14. Establish and maintain a program for the development and usage of standard specifications for materials, supplies, and equipment where practical.
15. Assist the departments in the preparation of specifications and technical requirements to be included in Invitations to Bid, Requests for Proposals, and Requests for Quotes.
16. Consolidate purchases of like or common items to obtain the maximum economical benefits and cost savings, and explore the possibilities of buying “in bulk” to take full advantage of quantity discounts.
- ~~17. Join with other governmental agencies in cooperative purchasing agreements, when the best interest of the City would be served.~~
- ~~18. Purchase from Florida State Contracts and the U.S. General Services Administration when the best interest of the City would be served.~~
- ~~17~~19. Keep informed of current developments in the field of purchasing, including but not limited to prices, market conditions and new products, and secure for the City the benefits of research conducted in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations, and private businesses and organizations.
- ~~18~~20. Arrange for the disposal, bid, auction, or negotiation for the sale of surplus materials and equipment.
- ~~19~~21. Maintain a Vendor Commodity Listing by vendor and commodity code.
- ~~20~~22. Promote good will and public relations between the City of Chipley and its suppliers. Encourage full and open competition wherever possible.
- ~~21~~23. Pre-qualify prospective suppliers as needed for specific projects, supplies or services.
- ~~22~~24. Monitor and ensure that current inventory listings of capital equipment items are maintained.

b. User Department Responsibilities:

1. Write clear and accurate descriptions of materials and equipment to be purchased. Process requisitions and purchase orders appropriately.
2. Verify that funds have been allocated and are available in the proper lines. If funds are not available, prepare appropriate Budget Transfer Forms to cover expenditures.

3. Prepare technical specifications for goods and services requiring formal bidding.
4. Advise Purchasing of special projects or requirements in advance to avoid delays and to allow for adequate time to schedule.
5. Allow sufficient time to process the requisition and for the supplier to deliver. No items should be purchased before a requisition and/or purchase order have been appropriately processed.
6. Provide the Purchasing Department written documentation of any delivery or supplier problems or complaints.
7. Assist in the technical evaluation of bid and proposal responses.
8. Advise the Purchasing Department of qualified suppliers.

SECTION 5. COOPERATIVE PROCUREMENT. The Purchasing Office shall monitor market trends, stay informed of the latest purchasing innovations, and participate in various educational opportunities through memberships in purchasing organizations.

a. The City has the ability to become active members of various professional procurement organizations. These associations allow the City access to numerous cooperative contracts that have been competitively awarded and may be utilized for the procurement of various goods and services. Departments are encouraged to utilize and purchase from cooperative agreements when the City does not have a current contract in place; this procurement method generally expedites procurements and provides competitive pricing for items and services needed. Other governmental contracts that the City may utilize include, but are not limited to, term contracts of the State of Florida, Florida Sheriff's Association, Federal General Services Administration, and other governmental cooperatives, entities, counties and municipalities within and outside of the State of Florida.

b. Piggybacking contracts of other Public Entities (Non-Cooperative Contracts) Piggybacking is defined by the NIGP Dictionary of Procurement Terms as "a form of intergovernmental cooperative Procurement in which a large purchaser requests competitive sealed or proposals, enters into a contract, and arranges, as part of the contract, for other public Procurement units to purchase from the selected supplier under the same terms and conditions as itself. Also called hitchhiking method." The City may utilize a contract that was competitively sourced and entered into between another governmental or public entity and a provider of supplies or services (piggy-back) sought by the City, if the Procurement Manager determines that it is practicable and advantageous for the City to employ this method of procurement. If such other governmental contract is utilized, the public notice requirements and/or the need to utilize the selection processes is obviated; however, a separate contract or purchase order must be executed by the City and the particular supplier. This separate purchase order/contract will then incorporate by reference the governmental contract and terms and conditions under which the cooperative contract was awarded. All services and/or commodities to be

purchased and terms and conditions, including expiration dates will apply. Piggybacks cannot exist beyond the final contract date of the originating agency. Prices must be the same or less than the original contract. Sole source or emergency contracts cannot be used to establish piggybacks. Contracts awarded in accordance with Chapter §287.055 Florida Statutes (the Consultants' Competitive Negotiation Act) may not be piggybacked. Other governmental entities are similarly authorized to utilize the City contracts where the other governmental entity determines such utilization is practicable and advantageous and the particular supplier agrees to enter into such separate contract with the other governmental entity which incorporates the terms and conditions of the City contract.

SECTION 65. VENDOR RELATIONS. The City strives to develop effective relationships with vendors and encourages full and open competition whenever possible. All vendors are afforded equal opportunity to participate in public bidding. To avoid any perception of unethical behavior, the following guidelines shall be followed:

- a. Formal interviews with suppliers shall be coordinated through the Purchasing Department.
- b. Discussions with salesmen should be open and general and shall not commit to preferences for any product or service, which might in any way compromise the City.
- c. All correspondence with suppliers is to be through the Purchasing Department, except in special cases where the technical details involved make it advisable to delegate authority to others. In such cases, the Purchasing Department must receive copies of all correspondence.
- d. Any prices, proposals, quotes, or specific information received from vendors must not be disclosed until after the award of a contract or issuance of a purchase order. Sealed bids or proposals are exempt from disclosure pursuant to Florida State Statutes Chapter 119.07(o).
- e. To ensure full and open competition, continuity of supply, and availability of materials, new sources of supply are given due consideration. The City will buy from suppliers who exhibit adequate financial strength, high ethical standards, a record of adhering to specifications, maintains shipping promises, and gives a full measure of service.
- f. Acceptance of gifts at any time, other than advertising novelties of nominal value, is prohibited. Employees must not become obligated to any supplier and shall not conclude any City transaction from which they may personally benefit.
- g. The offer of any gratuity to an official or employee of the City by any vendor or contractor shall be cause for declaring such individual or firm to be an irresponsible bidder and may be grounds for suspension from bidding.
- h. No employee shall obligate the City whereby said employee may derive income or benefits other than those provided as compensation from the City for their employment.

- i. No City employee may have any financial interest in any purchase order or contract issued by the City of Chipley.

SECTION 76. ETHICS. It is the policy of the Purchasing Department to promote the City's reputation for courtesy, fairness and impartiality. The responsibility for achieving this goal rests with each individual who participates in the procurement process. This includes the using agencies, the vendors, as well as purchasing personnel. The Purchasing Department adheres to the ethics set forth by the National Association of Purchasing Management and the National Institute of Governmental Purchasing.

SECTION 87. CONFLICT OF INTEREST. State Statutes define conflict of interest as follows:

"Any public officer or employee of a public agency who has, or whose relative has, a substantial interest in any contract, sale, purchase or service to such public agency shall make known that interest in the official records of such public agency and shall refrain from voting upon or otherwise participating in any manner as an officer or employee in such contract, sale or purchase."

The mere employment of an individual simultaneously by the City and an outside company that has a direct or indirect business relationship with the City, in itself, establishes no conflict of interest. A conflict of interest would arise if actions by such an individual as a City employee conferred a direct or indirect benefit on the private business by which he was also employed or in which the employee has a financial interest.

The law provides that when a potential for a conflict of interest arises, the City employee with the potential conflict make his interest known to the City and refrain from taking any actions on the matter creating the potential for a conflict of interest. When a potential for a conflict of interest arises, the City employee must either (a) provide written notification to the City Clerk identifying what relationship exists that could be classified as a potential for a conflict of interest; or (b) provide the same information during a City Council meeting so it can be recorded in the official minutes of the meeting.

SECTION 98. THE PURCHASING PROCESS. Procedures contained herein are applicable to all City personnel involved in the requisitioning, receiving, transferring, and replacement of supplies, materials, services, and equipment for the City. The purchasing cycle begins with the City's annual budget adoption. Each department's budget specifies capital purchases as well as routine purchases of operating supplies and services. The Purchasing Officer uses this information to anticipate departmental needs and to recommend bulk purchases or term contracts for repetitive procurements. There are three (3) levels of procurement activity for general purchases as follows:

- a. **General Purchase Order (GPO) Activity - \$0.00 to \$999.99:** Department Head approval. No competition required. Limited to \$999.99 per vendor. GPO's are routinely used for those buys of \$999.99 or less (for non-capital equipment or supplies or services). Each department must track the dollar amount of buys with

each GPO to assure that their operating accounts are not overdrawn. The processing activity involves:

- ❖ Specifications and requirements are formulated.
- ❖ Solicit quotes/bids
- ❖ Evaluate responses
 - Local Vendor Preference
 - Meets specifications
 - Responsible bidder
 - Responsive bidder
- ❖ Purchase Request Form (General Purchase Order) is prepared.
- ❖ Purchase Order is submitted to Purchasing.

When purchase award has been made, and the item has been received, the Department Head shall submit the signed invoice to Purchasing certifying that the item has been received as requested. **The date goods and/or services were received and approved should be noted on the invoice.**

- b. **Field Purchase Order (FPO) Activity - \$1,000.00 to \$34,999.99.** Department Head and City Administrator approval. Minimum of three (3) written quotes **must be obtained. These quotes must be attached to the pink copy of the purchase order.** The FPO may be awarded without formal competition. The Department Heads have the authority to execute purchases not to exceed \$5,000.00; anything above that and up to \$15,000.00 requires City Administrator approval. Using departments should monitor market trends to assure cost effective buying at this level and to diversify City business to vendors that are competitive and meet delivery requirements. FPO's cannot be "stacked" (or split) to artificially put a requirement within the \$34,999.99 limit of the FPO. Purchasing will audit FPOs to assure they are used properly. The processing activity involves:

- ❖ Specifications and requirements are formulated.
- ❖ Solicit quotes/bids.
- ❖ Evaluate responses
 - Local Vendor Preference
 - Meets specifications
 - Responsible bidder
 - Responsive bidder
- ❖ Purchase Request is coordinated with City Administrator/Purchasing Officer.
- ❖ Purchase Order is submitted to Purchasing.

When purchase award has been made, and the item has been received, the Department Head shall submit the signed invoice to Purchasing certifying that the item has been received as requested. Written quotes, notes, etc., relating to award process shall be forwarded with invoice to purchasing.

- c. **Public Bid Process Activity - \$35,000.00 or more.** A formal sealed bid or proposal process is required for all purchases that equal or exceed this amount to a single vendor on a fiscal year basis. No contract shall be made by the City for any product, material, or services, when the amount to be paid exceeds \$50,000, unless notice is first published in at least two (2) weekly issues of a newspaper of general circulation. The City Administrator has the authority to execute purchases not to exceed \$15,000.00. Council approval is required for purchases \$15,000.01 or more. Procurement and contractual services shall be administered in accordance with Florida Statutes 287.017. The processing activity involves:

- ❖ Specifications and requirements are formulated.
- ❖ **Obtain a contract number from purchasing.**
- ❖ Advertisement is prepared. (See Attachment # 1)
- ❖ Advertisement is coordinated with City Administrator/Purchasing Officer.
- ❖ Advertisement is submitted for publication in two issues of local newspaper.
- ❖ Bid responses are evaluated (bid opening).
 - Local Vendor Preference
 - Meets specifications
 - Responsible bidder
 - Responsive bidder
- ❖ Submit recommendation to City Council for approval.

All records relating to the formal bid process will be maintained by the Purchasing Office. The user department shall receive product(s) and assure that the items meet specifications, are not damaged, and the correct amount is delivered. Documentation of such receipt shall be forwarded to the Purchasing Office immediately upon receipt and verification.

- d. **FDOT Local Agency Program Simplified Acquisition and Small Purchase Process for Professional Services.** Under very limited conditions, professional services may be exempted from the Public Bid Process Activity noted in Section 8.c. of the City purchasing policy, as well as the Federal Brooks Act qualification requirements (as specified in 40 U.S.C. 1101-1104), and the State of Florida Consultant Competitive Negotiations Act qualification requirements. When the conditions outlined below are met, the City may follow small purchase procedures [ref. 23 CFR 172.5(a)(2)]. Professional services procured using small purchase procedures must be less than the Federal simplified acquisition threshold (currently established at \$150,000), and also less than the State of Florida purchasing thresholds for Category Five (related construction project amount) or Category Two (for planning and study activity). Both federal and state thresholds must be complied with. Where the state and federal limits differ, the lesser threshold is the applicable restriction. State Law specifies: Section 287.055(5)(a), F.S.: Each agency shall publicly announce, in a uniform and consistent manner, each occasion when a professional services must be purchased for a project the basic construction cost of which is estimated by the agency to exceed the threshold amount provided in s. 287.017 for CATEGORY FIVE or for a planning or study activity when the fee for professional services exceeds the threshold

amount provided in s. 287.017 for CATEGORY TWO, except in cases of valid public emergencies certified by the agency head. The Category Five threshold for construction costs is currently established as \$325,000, and the Category Two threshold is currently established as \$35,000. Consequently, small purchase procedures may be used under the following conditions:

1. Are the professional services directly related to a construction project? (ie. Project Development and Environmental (PD&E) services, design services, surveying and mapping, or construction engineering inspection services).
 - If yes, is the estimated construction cost for the project less than \$325,000 (State Category Five threshold)?
 - If yes, is the total contract amount for the professional services less than \$150,000 (Federal threshold)?
 - If all are yes, then the small purchase process may be used. If the answer to one of the above questions is no, then the small purchase process cannot be used.
2. Are the professional services for a study activity or for planning activity? (Professional services not directly related to a construction project are defined as a “study activity”).
 - If yes, is the total amount for the study activity or planning activity less than the state threshold of \$35,000 (State Category Two threshold)?
 - If yes, then the small purchase process may be used.
 - Please note, since the state threshold of \$35,000 per study or planning activity is the lesser when compared with the federal threshold, the state threshold is the limiting factor.

The requirements for acquiring professional services using the small purchase process are outlined in the following steps:

1. The City will select three firms from the FDOT pre-qualified list. No Request for Qualifications (RFQ) or contract advertisement is necessary to develop a short list of three firms.
 - The City will prepare an estimate, which will be used in determining that estimated construction costs or study costs meet the threshold amounts stated above.
 - The City may request a simple brief proposal, which can be used for evaluation of the firms.
2. The City will undertake discussions with three firms.
3. The City will rank the three firms and documents reasons for selecting the No. 1 ranked firm (reasons should not involve price).
4. The City will negotiate a fee with the No. 1 ranked firm.
 - Please note the result will be a new small purchase contract. If a small purchase contract is amended and the amended amount exceeds either the state or federal thresholds, the excess costs are not eligible for reimbursement, and may jeopardize funding for the entire small purchase contract. A supplement to an existing contract or additional task work order is not eligible for federal participation and FDOT reimbursement under the small purchase process.

e. **Community Redevelopment Agency Grant Awards.**

For the purpose of determining the amount to be awarded under any CRA grant to a private property owner, the CRA Board must be provided with at least two (2) quotes for the services to be provided using grant funds. These quotes will not be considered actual bids on work and no property owner shall be required to use the provider that submits the lowest quote. However, the grant amount awarded from the CRA to the private property owner shall not exceed the lowest quote submitted.

For all other CRA purchases, the City's ordinary purchasing policy must be followed.

SECTION 109. MISCELLANEOUS PROVISIONS. It is understood that every issue relevant to the purchasing process may not be adequately addressed herein. In that regard, the following miscellaneous information is intended to provide guidance on the common issues and processes.

- a. ***Annual Requirement Agreements*** (A/Rs) should be used for those supplies or services that are purchased repetitively over the course of a year, every year. An estimate of departmental or City-wide usage along with specifications are put into a Formal Sealed Bid format and competitive bids are solicited. These contracts are awarded for one year with the option to renew them for two additional one year periods with the concurrence of both the City Council and the successful vendor(s).

A/Rs establish set prices or discounts off list price for items for one year periods. This allows for accurate budgeting, precludes the necessity of receiving quotes/bids for each purchase, and gives the City the benefit of quantity discounts, thereby maximizing our purchasing power (i.e. office supplies, janitorial products, plant chemicals, etc.). The Purchasing Office requests that departments make recommendations for items that will lend themselves to A/R Agreements. Purchasing will monitor both General Purchase Orders and Field Purchase Orders to identify those items conducive to bid as Annual Requirement Agreements.

- b. ***Blanket Purchase Orders (BPOs)*** are used for repetitive buys from vendors for various supply items. BPOs are issued with a General Purchase Request and state a specified not to exceed dollar amount and for a specified period of time. BPOs that are based on an Annual Requirement Agreement are limited in dollar amount only by the departmental budget. BPOs that are not based on an Annual Requirement Agreement are limited to \$100.00.
- c. ***Sole Source Procurement*** is justified when there is only one source practicably available for the goods, services, construction items or equipment required. Competition is not available in a sole source situation. A procurement may be made without competition after conducting a diligent, good faith review of

available sources and a determination is made in writing by the City Administrator that there is only one source of supply. The written determination must be justified and documented by the Department Head by answering two questions about the procurement.

- 1) Why do the departmental requirements allow this service/item and only this service/item?
- 2) Why do the departmental requirements allow this vendor and only the vendor?

The Purchasing Office will then provide further documentation by conducting a market survey of vendors to assure only one vendor can provide this service/item. Purchasing will also conduct a “price reasonableness” study to document that the price offered by the sole vendor is the best price that can be expected under the circumstances. The “price reasonableness” study will be conducted using one or more of the following methods:

- 1) Comparison with previously paid prices.
- 2) Comparison with functionally similar commodities.
- 3) Survey of other consumers.
- 4) Cost analysis whereby the vendor is required to provide his cost breakdown including cost of labor/materials and overhead/profit. Use of this method is limited by the commodity and cooperation of the vendor.

Authorization to award sole source procurement is limited to the City Council and City Administrator.

- d. ***Emergency Purchasing Procedures.*** An emergency situation is defined as one that may seriously affect the health, safety or welfare of the citizens of Chipley or one that will cause significant delays in the work of a department or division. A Department Head, with the concurrence of the City Administrator has the authority to make or authorize others to make emergency procurements not to exceed \$15,000.00. Emergency procurements shall be made with as much competition as practicable under the circumstances. A full written report of the circumstances giving rise to the emergency situation as well as details of the procurement and use for the product purchased must be filed by the department with the Purchasing Manager on the first working day following the emergency.

The Purchasing Manager shall prepare an agenda item regarding the emergency and the accompanying departmental documentation as an information item on agenda of the next regular meeting of the City Council.

- e. ***Purchase Order Changes.*** There may be times where changes must be made to purchase orders that are already in place. This can be accomplished administratively without action by the requesting Department when the purchase order is less than \$1,000.00 and the change is less than ten percent (10%) of the total amount of the purchase order or is less than one-hundred dollars (\$100.00), whichever amount is less. Should the change be more than 10%, over \$100.00,

or the purchase order is \$1,000.00 or more, a Change Order request must be initiated by the requesting Department to the purchasing Office for City Administrator approval and/or other action. A Change Order request form is attached for your information (Atch # 2). Change Orders are most common under the following circumstances:

- 1) Additional merchandise is needed by the using Department.
- 2) Over shipment of goods that is acceptable to the receiving Department.
- 3) Reduction in order by the using Department.
- 4) Shortage in shipment of goods that is acceptable to the using Department.
- 5) Change in account line (this is usually for internal use only and not sent to vendor).
- 6) Cancellation of order.

f. ***Award of Purchases.*** Certain actions are required in all instances of purchase contract award. Award to the lowest, responsive, and responsible bidder in accordance with Section 2-36 of the Administrative Code. Definitions are:

- 1) ***Responsive Bidder/Proposer*** is one who meets all the requirements of the invitation to bid (i.e. offers to sell a product that meets the requirements of the specifications, signs the bid, submits bid bond if necessary, etc.).
- 2) ***Responsible Bidder/Proposer*** is one who demonstrates the ability, reputation, prior experience and financial resources to provide the product or service on time and within his/her bid price.
- 3) ***Local Vendor.***
 - (a) A local vendor shall mean any business which has had a fixed office or distribution point located in and having a street address within Washington County for at least two months immediately prior to the issuance of the request for competitive bids by the city; and
 - (b) Employs at least one full time or two part-time employees whose primary residence is located within Washington County or, if the business has no employees, shall be at least 50% owned by one or more persons whose primary residence is located within Washington County; and
 - (c) Any vendor claiming to be a local vendor as defined above, shall so certify in writing to the City as part of the bid response. The City purchasing officer and/or city administrator has sole discretion to determine if a vendor meets the definition of a local vendor.

- 4) **Local Vendor Preference.** When supplies, materials or equipment are being purchased by competitive bid, written or telephone quotes, preference will be given to local vendors as follows, if all other requirements are met:
 - (a) For purchases under \$3000.00 the local vendor will be selected if their bid or quote is low or is within 10% of the low bid or quote.
 - b) For purchases between \$3000.00 and \$6000.00 the local vendor will be selected if their bid is low or is within 6% of the low bid.
 - (c) For purchases above \$6000.00 the local vendor will be selected if their bid is low is within 3% of the low bid.
 - (d) This subsection shall not apply to contracts required by state or federal statutes or regulations to be awarded to the “lowest responsible bidder” or otherwise exempted from local preferences.

Other actions which must be appropriately addressed during the purchase award process:

- 1) Ensure compliance by the contractor to the terms, conditions and specifications of the purchase order/contract.
- 2) Expedite delivery, address and solve any problems.
- 3) Execute contracts until the commodities are received or the project is completed to the satisfaction of the City.
- 4) Receive recommendations of awards or protests to solicitations and submit them to the City Council for resolution.
- 5) Ensure compliance with federal regulations, state statutes, and local codes/ordinances.

g. *Informational Activities.*

- 1) Maintain Vendor list in a manner that assures efficient, competitive, and fair solicitation of quotes/bids.
- 2) Maintain purchasing records in a manner that assures a valid audit trail exists.
- 3) Monitor various markets to evaluate price and supply trends that will allow informed procurements based on realistic data.
- 4) Monitor City-wide procurement patterns to establish most cost effective means to fulfill requirements (Annual Requirement Agreements, Blanket Purchase Orders, etc.).

h. ***Operational Activities.***

- 1) Annual Budget Assistance and Monitoring
- 2) Assists departments/divisions in determination of market availability and cost of goods, services and equipment requested during budget preparation.
- 3) Review approved budgets and the five year Capital Schedule of Capital Improvements to expedite equipment buys.
- 4) Cooperate to forecast costs for goods, services and equipment replacement.
- 5) Perform periodic pricing updates and verifications.

j. ***Training***

- 1) Purchasing provides ongoing training to all City personnel affected by Purchasing policies and procedures.
- 2) Purchasing shall maintain and distribute a Purchasing Manual for use in the departments/divisions as a guide to purchasing policies and procedures as adopted by the City Administrative Code and resolution of the Chipley City Council.

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Purchasing Manual**

(Example # 1)

INVITATION TO BID

The City of Chipley, Florida invites bid proposals for the purchase of an “Asphalt Patch Machine”, trailer mounted, that is capable of patching and repairing potholes, alligator cracking, should brakes, radius failures, and utility cuts. Specifications may be obtained from Mr. Guy Lane, Chipley Public Works Director, (850) 638-6346 or FAX (850) 638-6353.

Bids are to be submitted in an envelope marked “**Asphalt Patch Machine**” and will be accepted by the City until 4:00 p.m. CST, May 8, 1999.

The City of Chipley reserves the right to reject any one, or all, bids or any part of any bid, to waive any informality in any bid, and to award the bid in any manner deemed to be in the best interest of the City.

Note: Published on April 25, and May 5, 1999, issues in the legal section.

(Example # 2)

INVITATION TO BID

The City of Chipley, Florida invites bid proposals for the purchase and installation of a communications “Repeater System” for use by the Chipley Fire Department. System components consist of the repeater and associated antenna and the bid price should include full installation and check out of the system. Repeater and antenna specifications may be obtained from Fire Chief Floyd Aycock or Dan Miner, Chipley City Administrator, by request at (850) 638-6350 or FAX (850) 638-6353. Specifications will be faxed to perspective bidders upon requested.

Bids are to be submitted in an envelope marked “**Repeater System**” and will be accepted by the City until 4:00 p.m. CDLST, June 21, 1999 at which time they will be opened and read aloud.

The City of Chipley reserves the right to reject any one, or all bids, or any part of any bid, to waive any informality in any bid, and to award the bid in any manner deemed to be in the best interest of the City.

Note: Publish on June 12 and June 16, 1999 issues in the legal section.