



PROCUREMENT POLICY MANUAL

**Amended December 3, 2025
Effective Date January 1, 2026**

Table of Contents

CHAPTER 1: INTRODUCTION.....	2
CHAPTER 2: PURCHASING POLICY.....	3
CHAPTER 3: GENERAL PROCEDURES.....	4
CHAPTER 4: PURCHASE OF COMMODITIES.....	9
CHAPTER 5: CONFLICT OF INTEREST	17
CHAPTER 6: RELATIONSHIP WITH VENDORS.....	20
CHAPTER 7: FLORIDA STATUTE, SECTION 287.133, STATEMENT ON PUBLIC ENTITY CRIMES.....	29
CHAPTER 8: SINGLE SOURCE PROCUREMENT.....	31
CHAPTER 9: PROCUREMENT OF PROFESSIONAL SERVICES.....	33
CHAPTER 10: FEDERAL CONTRACT PROVISIONS.....	38

CHAPTER 1: INTRODUCTION

1.01 Purpose

This manual is designed to standardize methodology of buying practices and facilitate understanding of purchasing procedures utilized by the City of Lynn Haven. This manual must be kept current and should include all changes approved by the Commission.

The policy statements contained in this manual represent the basic intentions and goals of the City. Suggested changes should be forwarded to the Finance Department for processing and review by the Commission. Your continued cooperation and suggestions are appreciated.

1.02 Responsibility

It is the responsibility of all who have been delegated the authority to commit City funds through the purchasing function to adhere to City policies contained in this manual. This Policy Manual is effective with date of issue.

1.03 Introduction

This manual has been prepared to provide information and direction to the various departments and divisions of the City. Its primary purpose is to communicate policies and give guidance to personnel assigned to the purchasing function, and others with purchasing authority. The manual will be revised and supplemented, as required, to meet changing conditions and new needs.

Purchasing gives prime consideration to the City's interests while seeking to maintain and further long term, mutually beneficial, ethical relationships with suppliers.

CHAPTER 2: PURCHASING POLICY

2.01 Approval of Purchases.

1. Contracts over Thirty-Five Thousand Dollars (\$35,000.00)

A purchase of a commodity or commodities exceeding \$35,000, and Services costing over \$35,000.00 in the aggregate per annum, shall be approved by the City Commission.

2. Purchases between \$3,500.00 and \$35,000.00

Where the furnishing of non-emergency commodities or contractual services is estimated to cost between \$3,500.00 and \$35,000.00 per annum, such purchases may be made upon approval of the City Manager.

3. Small Purchases (\$3,500.00 or less)

Purchases of supplies or services may be approved by the Finance Director when the cumulative cost for such item or service does not exceed \$3,500.00 per annum. No further authorization by the City Manager shall be necessary, except for those purchases requiring a written agreement in lieu of or in addition to a purchase order.

2.02 Execution of Contracts requiring the expenditure of funds.

1. Every contract made by or on behalf of the City involving an expenditure of funds or revenue received shall be in writing, approved as to form and legality by the City Attorney, approved by the City Commission, signed by the Mayor and attested by the City Manager. A person other than the Mayor may be authorized to execute a contract on behalf of the City only upon express approval memorialized in a resolution adopted by the City Commission.

2. Notwithstanding the foregoing, the City Manager, with attestation by the Finance Director, is authorized to enter contracts in writing by or on behalf of the City requiring the cumulative expenditure of not more than thirty-five thousand dollars (\$35,000).

3. The City Manager is authorized to administratively renew contracts that have been previously approved by the City Commission when the following conditions are met:

a. the renewal is in accordance with the original contract terms and conditions;

b. sufficient funds are available and budgeted for expenditures related to the renewal; and

- c. no modification of contract terms is necessary or desired by either party; and
- d. the City Attorney has approved all contract documents as to form and legality.

CHAPTER 3: GENERAL PROVISIONS

3.01 Definitions

The following words, terms and phrases are defined as follows and shall be interpreted as such throughout this manual. Terms not defined shall have the meaning customarily assigned to them.

Commodity shall mean any of the various supplies, materials, goods, merchandise, equipment, services, information technology and other personal property purchased, leased, or otherwise contracted for by the City, unless coming within the definition of Public Works contracts. However, commodities purchased for resale are excluded from the provisions for competitive bid.

Competitive Sealed Bids. A sealed bid utilizing one of the methods described in Section 3.06.

Computation of Time shall have the same meaning provided in Section 1-2 of the City's Code of Ordinances.

Informal Competitive Bidding (ICB). An ICB does not require an advertised, sealed bid process.

Lowest responsible bidder shall mean the lowest bidder whose offer best responds in quality, fitness and capacity to requirements of the proposed work or usage, as specified. In determining the lowest responsible bidder, the following shall be considered, in addition to price:

1. The quality of supplies or equipment offered.
2. The ability, capacity and skill of the bidder to perform the contract or provide the supplies or services required.
3. Whether the bidder can perform the contract or provide the supplies or services promptly, or within the time specified, without delay or interference.
4. The sufficiency of the bidder's financial resources and the effect thereof on his/her ability to perform the contract or provide the supplies or services.
5. The character, integrity, reputation, judgment, experience and efficiency of the bidder.
6. The quality of bidder's performance on previous orders or contracts for the City.
7. Litigation by the bidder on previous orders or contracts with the City.

8. The previous and existing compliance by the bidder with local laws and ordinances relating to the subject of the purchase or contract.
9. The ability of the bidder to provide future maintenance and service where such maintenance and service is essential.

Responsive shall mean a bid submitted by a bidder that strictly conforms to the required bid specifications.

Per annum shall mean one 12-month period.

Request for Quotation shall mean an informal solicitation where oral or written quotes are obtained from vendors, without formal advertising or receipt of sealed responses.

Policies, as referenced in this manual, are pre-decisions made by the City Commission or management for the purpose of giving information or direction. Policies establish basic philosophies and climate and determine the major procedures under which the Purchasing designee must operate.

Procedures are the prescribed means of accomplishing policy. Their intent is to provide City personnel with the guidelines and specific action sequences to ensure uniformity, compliance, and control of all policy related activities.

Public Works contracts shall mean all contracts involving construction for the City. Any construction is not exempted from the competitive bidding procedures as set forth in this Section, notwithstanding its relationship to a project which has previously been bid upon.

Purchasing is a service function responsible for identification and recognition of the real needs for goods and services in all parts of the City, and the assurance of satisfaction of the needs at the lowest possible cost, consistent with the best quality of goods required. We promote efficiency, economy, and conservation of energy to effect coordination in the policies, procedures and forms for use by all departments in procuring contractual services.

3.02 Centralized Finance Department

Under provisions of the City Code, the City Manager is the purchasing agent for the City. He/she may in his/her discretion delegate some or all of his/her authority, except authority to make the final decision, to any City employee or employees.

3.03 Procurement Manager

The Procurement Manager shall have the authority to do as follows:

1. Purchase or lease, or contract for the purchase or lease of commodities required for or by the City.

2. Negotiate and recommend execution of contracts for the purpose of commodities.
3. Act to procure for the City the needed quality in commodities at least expense.
4. Endeavor to obtain as full and open competition as possible on all purchases.
5. Prepare revisions and amendments to the purchasing manual and recommend to the City Commission.
6. Prepare rules governing the purchase of commodities for the City.
7. Prescribe and maintain such forms as reasonably necessary to the operation of this chapter and other rules and regulations.
8. Maintain vendor lists, vendor catalog files and records needed for the efficient operation of the Finance Department.

3.04 Submittal of Requests to Purchase Commodities

Departments shall submit requests to purchase commodities to the Finance Department on purchase order request forms or by other means as may be prescribed by the Finance Department. The Department Head's signature, or the signature of his/her designated representative, on the purchase order request form indicates that the requisition has been coordinated and approved within that department or other department(s) as necessary; that the quantities, item descriptions and specifications describe the minimum needs of that department; and that the Finance Department representative is authorized to acquire the commodities.

3.05 Purchase Orders to be Used

Purchases of commodities shall be made by purchase orders to the maximum extent possible. In the occasional instance when a check is used in lieu of a purchase order for commodities, all authorization and bidding/quote procedures must be followed as specified within this Purchasing Policy and have the ability to be tracked for audit purposes. Except as otherwise provided in this Manual, no purchase order shall be issued unless appropriate purchasing procedures have been followed.

3.06 Competitive Sealed Bid Methods

When a contract is to be procured by a competitive sealed bid procedure, any of the following methods may be utilized. The City may also utilize an alternative method that must be described in the solicitation documents.

Invitation to Bid (ITB). In an ITB solicitation, the City will specifically define the scope of work required and solicit bids that would be responsive to the detailed plans

and specifications set forth by the City's invitation. Typically, an ITB is rigid and identifies the solution to a problem. Consideration of a response to an ITB is controlled by cost and the City shall award to the lowest responsive and responsible bidder.

Invitation to Negotiate (ITN). When the City has an ultimate goal in mind but cannot predict or fully define the scope of work required, contractual services may be better procured by an ITN. Unlike other competitive sealed bid methods, the ITN is flexible, identifies the problem, and requests a solution. The criteria used for determining the acceptability of a reply must be specified. The evaluation criteria must include consideration of prior relevant experience of the respondent. The ITN must describe the questions being explored, the facts being sought, and the specific goals or problems that are the subject of the solicitation. The City may select one or more vendors to commence negotiations.

Request for Information (RFI) shall mean a method of soliciting comments and feedback from potential suppliers, manufacturers, and other sources.

Request for Proposals (RFP). An RFP is a written solicitation for competitive sealed proposals. The RFP process considers both quality of the solution offered and price. The RFP may be utilized in one of two ways as follows:

One-Step Method: The RFP may be advertised as a one-step method with the relative importance of price and other evaluation criteria being identified within the proposal. The contract shall be awarded to the responsible and responsive respondent whose proposal is determined in writing to be the most advantageous to the City, taking into consideration the price and other criteria set forth in the RFP.

Two-Step Method: The RFP is advertised as a two-phased process and contains very specific qualification criteria. The respondent is instructed to place its proposal in two distinctly marked, sealed envelopes. In one envelope, the respondent provides its qualifications and capabilities to perform under the contractual terms as a responsible, responsive bidder. In a second envelope, the respondent provides its pricing.

When proposals are received and opened, the City only opens the envelopes with the qualifications and capabilities. Staff will later evaluate these proposals based on compliance with the RFP criteria. As a result of this evaluation, a short list of bidders who meet the mandatory solicitation requirements is created. Once this step is completed, the pricing proposals of the short-listed bidders are opened to determine the responsive, responsible bid proposal offering the best pricing.

Request for Qualifications (RFQ) shall mean a written solicitation method utilized for obtaining qualification and performance data, which may include but is not limited to, financial capabilities, reputation, experience and competency of a respondent. An RFQ is typically structured as a two-phased process with phase one designated as the evaluation and selection process, and phase two designated as the negotiations

process.

3.07 Federal Procurement

When projects or programs are partially or fully funded with federal monies, the procurement shall be accomplished according to 2 CFR Part 200 subpart D.

3.08 Authorization

Prior to soliciting bids/proposals for services, the Procurement Manager and Director of the appropriate department shall determine in writing which method is most practical for the specific service being procured, and why. If the cost/price is estimated to exceed \$35,000, the written determination shall be reviewed by the Procurement Manager and approved by the City Manager before the ITB, RFP, RFQ, or ITN is advertised and released.

3.08 Unauthorized Purchases.

1. No City officer or employee shall make any procurement in the name of the City for personal use.
2. Pyramiding, splitting or otherwise fragmenting purchasing requirements into two or more small purchases to avoid a competitive solicitation is prohibited.
3. Any procurement made contrary to the provisions of this Manual shall not be binding on the City unless approved and ratified by the City Manager or City Commission, depending on the value of the procurement.
4. Employees found to have made a procurement in violation of the regulations set forth in this manual shall be subject to discipline, up to and including termination.

CHAPTER 4: PURCHASE OF COMMODITIES

4.01 Purchases of Thirty-five Thousand Dollars (\$35,000) or MORE

Except as otherwise provided in this manual, the purchase of commodities of an estimated aggregate value of Thirty-five Thousand Dollars (\$35,000) or MORE in a fiscal year shall be by written contract or purchase order with the lowest responsive and responsible bidder whose bid has been solicited, received and approved, pursuant to the following procedures.

1. Notice Inviting Bids

Notices inviting bids shall be published and shall include a general description of the articles to be purchased, shall state where bid forms and all specifications may be obtained, and shall state the time and place for opening of bids. A statement of general conditions of Invitation for Bid is sent as a part of the packet.

Notice shall be published on the City's website, or other digital platform utilized by the City for advertising and receiving bids. Publication date shall allow adequate time for prospective suppliers to prepare bids. In general, the notice shall be published a minimum of ten (10) days before bid opening. Public Works bids shall be advertised in accordance with Section 255.0525, Florida Statutes.

2. Public Availability

A copy of the invitation for bid shall be made available for public inspection at the Finance Department.

3. Bidders Security

For projects estimated to cost \$250,000 and over (and except as may be otherwise required for federally funded projects), bidder's security will be prescribed in the public notices inviting bids. Bidders shall be entitled to return of bid security; provided that a successful bidder shall forfeit his/her bid security upon his/her refusal or failure to execute the contract within ten (10) days after the notice of award of contract has been mailed, unless in the latter event the City is solely responsible for the delay in executing the contract. The City Commission may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest bidder. The lowest bidder's security shall be applied by the City to the contract price differential between the lowest bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.

4. Prequalification

Except as directed otherwise by the City Commission, a prequalification process shall be required for Public Works projects estimated to cost \$250,000 or more. When prequalification is required, the City may limit bid evaluation to the bids submitted from prequalified bidders.

5. Pre-Opening Modification or Withdrawal

Bids may be modified or withdrawn by written notice received in the Finance Department prior to the time and date set for bid opening. All documents relating to the modification or withdrawal of bids shall be made a part of the appropriate procurement file.

6. Late Bids

Any bid received after the time and date set for receipt of bids is late. No late bid, modification or withdrawal shall be considered unless received before bid opening or the time delay is due to action or inaction of City personnel directly serving the procurement activity.

7. Bid Opening Procedures

Sealed written bids shall be submitted to the City and identified as "bids" referencing the bid number on the envelope. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be made available to the public.

8. Bid Evaluation

Bids shall be evaluated based on the requirements set forth in the solicitation, by a committee of no less than three persons appointed by the City Manager. The solicitation shall set forth the evaluation criteria to be used.

9. Rejection of Bids

At their discretion the Finance Department may:

- a. Reject all bids; or
- b. Reject all bids and re-advertise for bids, pursuant to the procedure prescribed above.

10. Single Response or No Response.

- a. Where only one response is received to a solicitation, the City shall reject the response received and return to the bidder unopened and immediately re-advertise for bids.
- b. If only one response is received as a result of a re-advertisement, an award may be made such sole bidder if the City Manager determines:
 - i. that the price submitted is fair and reasonable;
 - ii. that other prospective respondents had a reasonable opportunity to respond; and
 - iii. that it is in the best interests of the City to proceed with the award.
- c. Where no bids are received and the Commission determines that additional requests for bids are unlikely to produce responses, the Commission may authorize the purchase, at the best obtainable price determined through direct quotation, of such products or services as are available on the open market.

11. City Commission

Agenda items requesting Commission approval of the selected vendor shall be prepared by the Finance Department. Supplies, equipment or services procured in the current fiscal year may be placed on a consent agenda provided the total purchase is no greater than the amount specified within the approved budget. Supplies, equipment or services desired to be procured whose purchase price exceeds the approved budget shall be approved by the Commission on their regular agenda.

12. Award of Contracts

- a. Except as otherwise provided in this manual, contracts shall be awarded by the City Commission or City Manager to the lowest responsive and responsible bidder.
- b. The Commission may award the contract to a bidder other than the lowest bidder should it find that the lowest bidder does not offer the reliability, quality of service or product afforded by such other bidder. Where a bid other than the lowest bid is taken, the Commission shall state the reasons upon which such award was made, which shall become a part of the record of the award.

- c. In the event two responsive bids from responsible bidders are identical in price and other evaluation criteria, and the Commission determines only one contract is necessary, the City Manager may solicit best and final bids from the tie bidders. In the event the Commission determines the procurement of goods or services could be executed with two or more non-exclusive contracts, contracts shall be awarded to the tie bidders.

13. Performance Bonds

A performance bond may be required before entering into a contract in such amount as is found reasonable and necessary to protect the best interests of the City. If a performance bond is required, the form and amount of the bond shall be described in the notice inviting bids.

11. Publicizing Awards

After a contract is entered into, notice of award shall be posted on the City's website.

4.02 Purchases Less Than Thirty-five Thousand Dollars (\$35,000.00)

Except as otherwise provided in this manual, purchases of commodities of an estimated value in the amount of LESS than Thirty-five Thousand Dollars (\$35,000.00), and all leases of commodities terminable by the City, may be made in the open market pursuant to the following procedures:

1. Minimum Number of Quotes

Open market purchases shall be based on at least three (3) quotes and shall be awarded to the lowest responsible bidder.

2. Notice Inviting Quotes

Quotes shall be solicited either by written request to prospective vendors or by telephone. Quotes shall be solicited either by the using department.

3. Documentation

The department or office requesting quotes shall provide adequate documentation of vendors contacted and prices quotes in order to demonstrate the selection of the lowest responsive and responsible vendor. Written quotes and website information shall be attached to the purchase order request; and verbal quotes shall be written on the purchase order request.

4.03 Determination of Irresponsible Bidder

1. A bidder may be found to be irresponsible (not the same as debarring) and his/her bid may be rejected by the City Manager if any or all of the following circumstances exist:
 - a. That a bidder has demonstrated, through documented past performance in the industry, or through prior dealings with the City, that he/she is unable to satisfactorily meet the responsibilities required of a successful low bidder.

- b. That a bidder's product has been demonstrated through documented past performance in the industry, or through prior use by the City, to be incapable of satisfactorily meeting the accepted demands to be placed upon the product.
- c. If a bidder is found irresponsible, his/her bid will be rejected.

4.04 Major and Minor Irregularities

- 1. Generally. In evaluation of sealed bids and other responses, the City Manager may waive minor irregularities. Major irregularities are not waivable.
- 2. Minor irregularities shall include, but are not limited to:
 - a. Addendum not acknowledged when price not affected;
 - b. Correct number of copies not submitted;
 - c. Delivery/payment terms not specified (unless specifically required in solicitation);
 - d. References not provided;
 - e. Unit prices not extended;
 - f. Failure to include required form not affecting price.
- 3. Major irregularities. Irregularities considered to be major include but are not limited to:
 - a. Failure to submit written evidence that an agent signing for an owner had authority to bind the bidder;
 - b. Failure to submit written evidence of pre-qualification, where prequalification is required by the solicitation;
 - c. Failure to submit written evidence of valid and current professional licensure, where professional licensure required by the solicitation;
 - d. Bid Form not submitted;
 - e. Bid Form submitted but not signed;
 - f. Bid Form submitted but with blanks (unless solicitation expressly permits bidding on less than all items listed in Bid Form);

- g. Bid Security not submitted when required or not valid;
- h. Bid not submitted on time.
- i. Failure to attend a mandatory pre-bid conference.

4.05 Exceptions to Bidding Procedures

The bidding requirements set forth in this manual may be dispensed with when one (1) of the following conditions exist:

1. Operation or Maintenance of Utilities

A purchase by or on behalf of the City of goods or services, or both, which are to be used exclusively for the operation or maintenance of the City's potable water, stormwater, reuse water or wastewater utility, or any of them, and requiring the expenditure of not more than \$100,000.

2. Emergency Procurement

A department head certifies in writing to the Finance Department that a public emergency exists in regard to the purchase of any commodity so that the delay incident to giving opportunity for competitive bidding would be detrimental to the public health, safety or welfare. The responsible Department Head shall provide a summary outlining the facts demonstrating the existence of a public emergency in accordance with Chapter 9. Upon determining that an emergency exists, and the cost is Thirty-five Thousand Dollars (\$35,000.00) or greater, the City Manager (or his/her designee) may authorize the purchase subject to approval by extraordinary vote of the City Commissioners present at its next regular public meeting.

3. Sole Source

Commodities are available only from a sole source of supply, after determination by the Finance Department in accordance with Chapter 8. Sole Source purchases shall be limited to a total per annum cost of \$34,999 or less.

4. Three Thousand Five Hundred Dollars (\$3,500.00) or Less

The total amount of the purchase involved is cumulatively estimated to be Three Thousand Five Hundred Dollars (\$3,500.00) or less.

5. Piggybacking Another Government Entity

It is to the advantage of the City to purchase commodities in cooperation with another governmental entity; or to purchase commodities from contracts

previously awarded to other governmental entities, to include purchasing cooperatives.

A purchase of commodities made by the City on the same terms and conditions as were obtained by a federal, state or municipal government or cooperative purchasing entity of which the City is a member, through an advertised competitive bidding process shall be deemed to be made through competitive bidding as required under this Chapter, provided:

- a. The contract to be piggybacked is in full force and effect at the time of the City's purchase;
- b. The bid opening for the contract to be piggybacked occurred within two years of the time of the City's purchase; and
- c. If the contract to be piggybacked was obtained by a state or municipal government, the government is situated in Alabama, Georgia, South Carolina, North Carolina, Tennessee, Mississippi or Texas.

6. Real Estate

The acquisition or lease of real property; use of real estate brokers; title insurance, abstracts or opinions; surveys and appraisals in connection with acquisition, sale or lease of real property.

7. Software

Software upgrades and modification services and related software enhancements to install software purchased through competitive means are exempt. The purchase of new software packages or systems shall follow established competitive selection methods.

8. Training

Training and educational courses, meeting rooms and hotels in connection with continuing education events or programs.

9. Utilities

Water, sewer, electrical, cable television, internet, telephone or other utility services.

10. Insurance

Purchases of insurance coverage for the City.

11. Repair of equipment or vehicles.

12. Professional services. Contracts for professional services, including but not limited to architects, attorneys, accountants, engineers and surveyors, may, upon approval by the City Council, be entered into without competitive bidding. The City Commission shall review the qualifications, work history and other relevant data before contracts for such services are rendered. The Consultants' Competitive Negotiation Act shall be followed where applicable.

13. Employment related medical, drug or background screening services.

4.06 Exemptions from Centralized Purchasing

1. Generally. The City Commission may authorize, in writing, any City department to purchase specified commodities independently of the Finance Department, but shall require that such purchases be made in conformity with the procedures established by this manual, and may further require periodic reports from the department on the purchases made under such written authorization.

2. Owner Direct Purchasing.

a. The City shall have the option to utilize sales tax recovery (savings) for construction projects, renovation projects or other purchases as needed to take advantage of the City sales tax exemption status. Prior to an ITB or RFP the use sales tax recovery will be determined, and nothing herein shall prohibit the City from deleting items within the ITB or RFP and purchasing items directly to avoid sales tax being paid by the City as a part of a Contractor's Bid price.

b. The City may utilize the awarded vendor's suppliers and place Purchase Orders for the purchase of the supplies needed by the awarded vendor without further competition. Contractor suppliers must follow the City's process to become an established vendor for the City. The Contractor shall take receipt of and utilize the supplies on the awarded project. The City shall pay all invoices associated with the Purchase Orders utilizing the same process for all vendors and deduct the invoice cost plus any sales tax from the contract amount.

c. The City's direct purchase option normally will be utilized only on large projects. The decision concerning utilization of the process will be made by the City but announced to proposers as a part of the solicitation process.

CHAPTER 5: CONFLICT OF INTEREST

5.01 Purpose

The purpose of this policy is to provide written standards of conduct covering conflicts of interest and governing the actions of employees, officers and agents of the City of Lynn Haven engaged in purchasing and the selection, award and administration of contracts. In addition to these written standards, each employee and officer involved in purchasing must read and follow the ethics standards contained in Chapter 112, Part III, Florida Statutes. For purposes of contracts and purchases supported by federal monies, this policy is adopted to conform to the requirements of Title 2 of the Code of Federal Regulations (CFR) 200.112, Conflict of Interest and 200.318(c)(1), General Procurement Standards.

5.02 Scope

This policy applies to all employees, officers, and agents of the City of Lynn Haven who participate in any phase of the purchasing process.

5.03 Definitions

“Conflict of Interest” means a circumstance in which any employee, officer, or agent of the City of Lynn Haven, or their immediate family or employer, shall be financially interested or have any personal beneficial interest in the purchase or contract of supplies, materials, equipment, or services used or furnished for the City,

“Employee”, for purposes of this policy, means any employee of the City of Lynn Haven engaged in purchasing and the selection, award, and administration of contracts.

“Employer” means any business or organization which employs an employee, officer, or agent of the City or their immediate family serve as an officer, director, partner or in a managerial capacity. It shall not include a non-profit organization for which an employee, officer or agent of the City serves without compensation.

“Immediate family” means any parent, spouse, child, sibling, or domestic partner of an employee, officer or agent of the City of Lynn Haven involved in the purchasing process and the selection, award, and administration of contracts.

“Officer” means any person elected or appointed to hold office or serve on a Board for the City of Lynn Haven and includes any person serving on an advisory Board. For those officers serving in an appointed or advisory capacity, the requirements of this policy shall only pertain to procurements, vendors, and lobbyists directly related to the work of their board.

5.04 Standards of Conduct

1. No employee, officer or agent of the City of Lynn Haven may participate in the selection, award or administration of a contract if he or she has a conflict of interest.
2. No employee, officer or agent of the City of Lynn Haven may accept or receive from any City vendor or lobbyist any money, rebate, gift or anything of value or any promise, obligation, or contract for future reward of compensation.
3. Any employee, officer or agent of the City who believes he or she may have a conflict of interest must recuse themselves from the selection, award or administration of the City procurement and immediately inform his/her supervisor or the City Manager of the circumstances involved. This information is to be reviewed at an appropriate level for decision on whether a conflict of interest is present and, if so, what course of action is to be taken.
4. In addition to the prohibited conflicts of interest defined in this policy, no employee shall:
 - a. Have an outside interest that materially encroaches on time or attention which should be devoted to the affairs of the City.
 - b. Have a direct or indirect interest in or relationship with an outside interest that is inherently unethical or that might be implied or construed to be, or make possible personal gain due to the employee's ability to influence dealings, render the employee partial toward the outsider for personal reasons or otherwise inhibit the impartiality of the employee's business judgment; place the employee or the City in an equivocal, embarrassing or ethically questionable position; or reflect on the integrity of the City.
 - c. Take personal advantage of an opportunity that properly belongs to the City.
 - d. Use City property without approval.
 - e. Buy or sell stock or other property of value at a time when the employee has "inside" information as a result of his/her position or job within the City.
 - f. Enjoy any special personal gain because of their employment with the City.

5.05 Violations

Any employee, officer or agent of the City who has knowledge of a real or apparent conflict of interest or other prohibited conduct under this policy shall report the information to their immediate supervisor or the City Manager. In the event of a conflict, real or apparent violations may be reported to the City Attorney. If the supervisor, City Manager, and/or the City Attorney determines that a conflict of interest or any prohibited conduct has occurred, disciplinary measures for violations of the provisions of this policy shall be in accordance with the City of Lynn Haven Personnel Policy. For purposes of federal awards, the City designates the City Manager as the reporting official for all instances of potential or real conflicts of interests. The City Manager shall report the conflict of interest as required by federal law.

CHAPTER 6: RELATIONSHIP WITH VENDORS

6.01 Finance Department's Relationship

1. It is the responsibility of the Finance Department to establish a relationship of mutual confidence and satisfaction between the City and its suppliers. It is, therefore, necessary that the Finance Department be aware of all transactions that are conducted between the City and suppliers.
2. The following should be observed when dealing with suppliers and their representatives:
 - a. Accord prompt and courteous reception, as well as fair and equal treatment, to all suppliers and their representatives.
 - b. Provide equal opportunity for all suppliers to make price and specification quotations.
 - c. Decline to take advantage of seller's errors and show consideration for seller's difficulties by cooperating with him whenever possible.
 - d. Avoid putting seller to unnecessary expense or inconvenience on returned goods.
 - e. Explain as clearly and fully as possible to suppliers the reason(s) for a rejection of their bids/proposals.
 - f. Remain scrupulously free from obligations to any supplier.
 - g. Keep informed about sources of supply, methods, services and materials, and encourage their testing.
 - h. Keep suppliers informed about city products and methods.
3. If, for any reason, one supplier is permitted to requote, his/her competitors will be given the same opportunity. Requoting should be restricted to an absolute minimum.

6.02 Departments' and Employees' Relationships

1. The Finance Department will inform or pass along to Department Heads useful information received from interviews, advertising, etc.
2. All correspondence with suppliers shall originate, when practical, in the Finance Department. When necessary for the departments to correspond with the vendors

on some technical matter, copies of that correspondence shall be sent to the Finance Department.

3. All employees of the City are prohibited from soliciting or accepting gifts or entertainment offered by any of the City's suppliers unless they are of nominal value as specified in the City's Personnel Policy. Disciplinary measures for violations shall be in accordance with the City of Lynn Haven Personnel Policy.

6.03 Vendor's Samples

Samples offered by vendors for evaluation by the Finance Department will be accepted only under the following conditions:

1. The product is one which is presently in use or is of potential use by the City.
2. Quantity or size is relatively small or of low value.
3. If samples are accepted, they shall be promptly conveyed to the appropriate department for testing.
 - a. If the City requests a sample from a vendor to evaluate its applicability, such samples shall be purchased, provided the cost of the sample does not exceed \$3,500.
 - b. If the Vendor proposes to donate the sample, the City shall provide reasonable access to the sample to other governments for evaluation.

6.04 Bid Protest

1. Right to Protest

Any actual or prospective bidder, offeror or contractor who is aggrieved in connection with the solicitation or award of contract may protest to the Procurement Manager. A protest shall be filed with the Procurement Manager in writing within the times set forth in this section and must be accompanied by the non-refundable filing fee and protest security approved by Resolution of the City Commission.

2. Filing a Protest

A written protest shall be filed within 72 hours after the posting of the bid tabulation or after receipt of the notice of intended decision. No protest may be filed or heard after the contract award has been approved by the City Commission, or the contract has been fully executed if City Commission approval is not necessary. Failure to file a protest within the specified time frame shall constitute a waiver of proceedings under this Section. A written protest is filed with the City when it is

delivered to and received by the Procurement Manager.

- a. The written protest shall contain:
 - i. the name of the bidder; the bidder's address and phone number;
 - ii. the name of the bidder's representative to whom notices may be sent;
 - iii. the name and bid number of the solicitation;
 - iv. a plain, clear statement of the grounds on which the protest is based;
 - v. reference to the statutes, laws, ordinances, or other legal authorities which the protestant deems applicable to such grounds; and,
 - vi. specifically request the relief to which the protestant deems himself entitled by application of such authorities to such grounds.
- b. A protest must be accompanied a non-refundable filing fee. Said filing fee may be paid in cash, by bank or certified check, or by such other means as acceptable to the Procurement Manager and must be received prior to the expiration of the time for filing a protest. In addition to the filing fee, unless a different amount is specified in the terms of a particular solicitation, at the filing of the written protest, the aggrieved bidder, proposer, offeror, respondent, or contractor shall post with Procurement Manager, a security in the form of a bond (in a form, and with such terms, approved by the Procurement Manager) payable to the City of Lynn Haven in an amount equal to one percent (1%) of the estimated price quoted, bid or proposal amount, or five thousand and no/100 dollars (\$5,000.00), whichever is less. In lieu of a bond, the City may accept an irrevocable letter of credit, cashier's or certified check, or money order in the above referenced amount (in a form, and with such terms, approved by the Procurement Manager). Such bond or other security must be received prior to the expiration of the time for filing a protest. If the protest is successful, the posted security will be refunded in full. If the protest is unsuccessful, the security shall be returned, less all fees, expenses, damages, costs and charges incurred by the City. Noncompliance with these requirements, in whole or in part, including the failure to pay the non-refundable filing fee or file a security in the full amount within the applicable deadline for filing of the protest, shall be deemed to be a waiver by the protestor of its rights under this policy.
- c. The protestor shall be liable for all of its own costs and expenses incurred related to a protest, including all appeals.
- d. *Prohibited Challenges.* Notwithstanding anything in this Procurement Code to the contrary, the following matters may not be protested:

1. If the City elects in its sole discretion to weight solicitation evaluation criteria or adopt a formula for evaluation, a protest may not challenge the relative weight assigned to the solicitation evaluation criteria by the City, or the formula adopted for evaluation. If the City elects in its sole discretion not to weight solicitation evaluation criteria or to adopt a formula for evaluation, a protest may not challenge such elections.
2. A protest may not challenge a decision or action of the Procurement Manager to delay or cancel a solicitation, or to reject all responses received by the City in connection with a solicitation.

3. Settlement and Resolution

- a. Protestors shall seek resolution of their complaints initially with the Procurement Manager, subject to approval from the City Manager, prior to protesting to the City Commission.
- b. The Procurement Manager may request information from, and speak individually or collectively to, any people or entities having information relevant to the protest, including but not limited to the protestor and other respondents to a solicitation. Copies of the protest and other records may be provided to any person or entity as deemed appropriate by the Procurement Manager. The protesting party may not provide additional evidence or otherwise amend its protest after timely filing of a written protest without the approval or request of the Procurement Manager granted prior to a written decision being rendered on the protest. The Procurement Manager shall render a written decision on the protest within fourteen (14) calendar days following receipt of the protest. The time for rendering a written decision may be extended by the City Manager in the best interest of the City. However, if such settlement will impact a substantial interest of another party or business, such settlement must be presented to the City Commission for approval.

4. Appeal Proceedings

- a. Decisions of the Procurement Manager may be appealed to City Commission by submission to the City Manager of a written request for hearing within seven (7) calendar days from the date of the Procurement Manager's written decision. The written request shall state with specificity the grounds for the appeal and also the action requested of City Commission. Said appeal shall be based solely upon the issues and information before the Procurement Manager at the time the written decision on the appeal was issued. New issues, arguments, information, or evidence may not be submitted. When an appeal is scheduled for oral presentation before City Commission, the appellant and City staff shall each be given ten (10) minutes to present the appeal and response. In its discretion, City Commission may extend the time allotted for argument and/or allow other interested persons to speak.

- b. The decision of the City Commission under this section shall be conclusive and shall represent the final position of the City.

6.05 Contract Claims

1. Authority of the City Manager to Settle Contract Claims

The City Manager is authorized to settle any claim arising out of the performance of a City contract, prior to an appeal to the City Commission or the commencement of an action in a court of competent jurisdiction, but may not settle any such protest or claim for consideration of greater than \$35,000 in value without the prior approval of the City Commission.

2. Decision of the City Manager

All claims by a contractor against the City relating to a contract, except bid protests, shall be submitted in writing to the City Manager for a decision. The contractor may request a conference with the City Manager on the claim. Claims include, without limitation disputes arising under a contract, and those based upon breach of contract, mistake, misrepresentation, or other cause for contract modification or rescission.

3. Notice to the Contractor of the City Manager's Decision

The decision of the City Manager shall be issued in writing within 14 business days and shall be immediately mailed or otherwise furnished to the contractor. The decision shall state the reasons for the decision reached and shall inform the contractor of his appeal rights.

4. Finality of City Manager's Decision: Contractor's Right to Appeal

The City Manager's decision shall be final and conclusive unless, within seven (7) calendar days from the date of receipt of the decision, the contractor files a notice of appeal with the City Commission. The decision of the City Commission at their next regularly scheduled meeting shall be final.

6.06 Prohibited Communication/Cone of Silence.

1. Any form of communication shall be prohibited regarding a particular Request for Proposal, Request for Qualification, Invitation for Bid, or other procurement between:

- a. Any person or person's representative seeking an award from such procurement; and
- b. Any City Commissioner, any City employee, or any agent of the City who is authorized to act on behalf of the City on such procurement.

2. A person's representative shall include, but not be limited to, the person's employee, partner, officer, director, consultant, lobbyist, attorney or any actual or potential subcontractor or consultant of the person.
3. The prohibited communication period shall commence on the advertisement of the proposal, bid, or other procurement, and shall terminate at the time the City awards or approves a contract, rejects all bids or responses, or otherwise takes action which ends the procurement process. The prohibited communication period shall include any period in which a protest has been submitted and until final disposition of the protest, provided that the protestor may communicate with the City Manager and the City Attorney regarding the protest.
4. The provisions of this section shall not apply to:
 - a. Oral communications at any public proceeding, including pre-bid conferences, oral presentations before selection or evaluation committees, contract negotiations during any public meetings, presentations made to the City Commission, and bid protest hearings.
 - b. Communications with the City Attorney.
 - iii. Written communications with the designated City employees provided the communication is limited strictly to matters of procurement process or procedure as it relates to a specific solicitation document.
 - iv. Contract negotiations between any City employee or the City Attorney and the intended awardee.
 - e. The provisions of this section shall not apply to any procurement in an amount less than \$35,000.
 - f. Prohibited communications shall result in disqualification from the particular request for proposal, request for qualification, invitation for bid, or other competitive solicitation and may be grounds for suspension or debarment from doing business with the City.

6.07 Suspension and debarment.

1. *Suspension.* After consultation with the City Attorney, the City Manager is authorized to suspend a vendor from consideration for award of contracts if there is probable cause to believe that the vendor has engaged in any activity which might lead to debarment pursuant to subsection (c) below. The suspension shall be for a period not to exceed three months, and the City Manager shall immediately inform the City Commission at the next available regular meeting and provide notice to the affected vendor.

2. *Debarment.* After reasonable notice and an opportunity for the suspended vendor to be heard, the City Commission shall either debar such vendor or terminate the suspension. The debarment should be for a period of not more than three years.
3. *Grounds for debarment include:*
 - a. Entry of a plea of guilty, or no contest, or nolo contendere to or conviction of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract; or
 - b. Entry of a plea of guilty, no contest, or nolo contendere to or conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty; or
 - c. Entry of a plea of guilty, no contest, or nolo contendere to or conviction under state or federal antitrust statutes arising out of the submission of bids or proposals; or
 - d. Violation of contract provisions, as set forth below, the character which is regarded by the City Commission to be so serious as to justify debarment action:
 - i. Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract;
 - ii. A past record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; or
 - iii. Having been adjudicated guilty of any violation of the State of Florida Construction Industry Licensing Board within the past 12-month period prior to the time of bid submittal; or
 - v. Having been adjudicated guilty by the Florida Department of Environmental Protection or a similar state or federal agency of any violation of an environmental law within the past six-month period at the time of bid submittal; or
 - vi. Having been disqualified or found nonresponsive, based on the vendor's fraud or disqualification; or
 - vii. Having been adjudicated insolvent, having proceedings in bankruptcy instituted against it, or having a receiver or trustee appointed over its property; or
 - viii. Being in a proceeding (i.e., court proceeding, arbitration, or administrative proceeding) adverse to the City arising from or related to the vendor's performance

of a contract with the City, or having unresolved financial claims pending by or against the City for a period of more than 60 days; or

- ix. Having been suspended or debarred by any other government entity; or
 - j. Any other cause the City Commission determines to be so serious and compelling as to affect responsibility as a City vendor, including debarment by another governmental entity.
5. *Notice of decision.* The City Manager shall issue a written notice to the vendor of the decision to debar or suspend. The final decision shall state the reasons for the action taken and inform the debarred or suspended person involved of his/her rights concerning judicial review by certiorari appeal to the Fourteenth Judicial Circuit Court. The written decision shall be mailed or otherwise furnished immediately to the debarred or suspended vendor.
 6. *Public entity crime.* Notwithstanding any other provision herein, any vendor who has been convicted of a public entity crime as defined in F.S. § 287.133 shall not be able to transact business with the City to the extent as specified in the statute.

6.08 Effect of Litigation.

City staff shall not issue any purchase orders or contracts to any vendor or bidder currently involved in litigation or arbitration with the City of Lynn Haven until such time as a satisfactory resolution is reached with such vendor or bidder; however, the Commission may, in its sole discretion, award purchase orders or contracts to such vendors.

**CHAPTER 7: FLORIDA STATUTE, SECTION 287.133
STATEMENT ON PUBLIC ENTITY CRIMES**

7.01 Public Entity Crimes

Effective July 1, 1989, each and every purchase over \$35,000 requires a notarized statement on public entity crimes to be signed by vendors.

1. General

- a. No purchase order of a value greater than \$35,000 shall be issued verbally or in writing prior to receiving the sworn statement from the vendor.
- b. Sworn statements, along with appropriate instructions, must be included in each "Invitation for Bid," "Request for Proposal," and "Request for Qualifications" if the expected cost is \$35,000 or above. Vendor returned responses must include the completed statement.
- c. Statements must be received prior to placing items on the Commission agenda.

2. Exemptions

Sworn statements are not required for purchases from the Florida State Contracts or the Florida Sheriff's Association Bid. Reference to the State Contract and the Contract Number must be included on the Purchase Order to be eligible for this exemption.

3. Emergency Procurement

Emergency procurement may necessitate obtaining statements after the fact. Emergencies must be fully documented to support the need.

CHAPTER 8: SOLE SOURCE PROCUREMENT

8.01 Scope

This policy applies to the acquisition of all commodities on a sole source basis without technical and/or cost/price competition.

8.02 Staff Responsibility

1. Department Heads and persons occupying comparable positions shall prepare a written summary of facts. The Finance Department shall provide technical assistance during preparation and shall review and approve the written summary before proceeding with procurement.
2. The requesting department shall justify sole source procurement on the applicable purchase order request form.
3. A notice of intent to complete a Sole Source purchase shall be advertised on the City's website for a period of at least seven calendar days to allow the vendor community to review the requested goods to determine if a competitive alternative exists.

8.03 General Requirements

Sole source purchasing for commodities is authorized when the following conditions are met:

1. The sole source item is an item that cannot be procured competitively for one or more of the following reasons:
 - a. Patent copyright or unique design restrictions.
 - b. Direct replacement parts equipment or supplies required to be compatible with original equipment already installed but available only from the original equipment manufacturer or a source he/she designates. Most manufacturers have more than one dealer or distributor for their products. When this is the case, competition between dealers and/or distributors is possible, eliminating the "sole source" restriction.
 - c. Proprietary rights in technical data and/or product formulations (e.g., cleaning compounds, lubricating oils, paint, etc.) which can only be determined through extensive laboratory analysis and examination.

- d. When tests and/or demonstrations of equipment supplies, parts, etc., under actual operating conditions reveal superior quality, performance, design or other characteristics in a product(s) which is available from only one source.
 - e. Maintenance or repair services which require specialized test equipment, procedures, and technical expertise available only from the original equipment manufacturer or his/her authorized/licensed dealer/field service representative.
 - f. Only producer, such as utility supplier or construction material supplier.
 - g. Software modules integrated with existing City software.
2. The total amount of the purchase does not exceed \$35,000, for general commodities; or \$100,000 for commodities to be used exclusively for the operation or maintenance of the City's potable water, stormwater, or wastewater utility, or any combination of them.
3. The commodity is only available from a single source of supply.

CHAPTER 9: EMERGENCY PROCUREMENT

9.01 Purpose

To ensure that emergency procurements are processed in a timely and uniform manner consistent with applicable local, state and federal laws.

9.02 Scope

The bidding requirements set forth in the Lynn Haven City Code and this manual may be dispensed with when an emergency condition exists.

1. An emergency condition is a situation which creates a threat to public health, welfare, or safety such as may arise by reason of floods, epidemics, riots, equipment failures, or such other reason as may be proclaimed by the City. The existence of such condition creates an immediate and serious need for supplies, services, or construction that cannot be met through normal procurement methods and the lack of which would seriously threaten the:
 - a. Functioning of City government.
 - b. The preservation or protection of public or private property.
 - c. The health or safety of any person.
2. Emergency procurement shall be limited to those supplies, services or construction items necessary to meet the emergency.

9.03 Procedures

1. Department Head certifies in writing to the Finance Department that an emergency exists in regard to the purchase of any commodity so that the delay incident is given opportunity for competitive bidding would be detrimental to the interest of the City. This must be done on the purchase order request form.
2. The responsible Department Head shall provide a summary outlining the facts demonstrating the existence of an emergency. Upon determining that an emergency exists, the City Manager (or his/her designee) may authorize the purchase subject to approval by the City Commission at its earliest regular public meeting thereafter.

9.04 Staff Responsibility

Department Heads and persons occupying comparable positions are responsible for processing emergency commodity procurements in accordance with this policy. The

Finance Department shall review all requests for emergency commodity procurements for compliance with applicable directive.

9.05 General Requirements

Emergency procurements may be processed when all of the following conditions exist:

1. The emergency condition involves Public works or facilities;
2. The emergency condition was immediately reported City Manager;
3. The emergency response requires a procurement be initiated within twenty-four hours of awareness of the emergency condition; and
4. Imminent danger to public health, welfare and safety will result if immediate procurement is not undertaken.

CHAPTER 10: PROCUREMENT OF PROFESSIONAL SERVICES

10.01 Purpose

To ensure that the procedures used to obtain professional services are uniform, consistent and comply with applicable local, state and federal laws.

10.02 Scope

This policy applies to the procurement of all professional services required by the City of Lynn Haven. Professional services include those performed by auditors, architects, engineers, surveyors, appraisers, consultants, brokers, lawyers, doctors, those defined by law, and any other recognized professional classifications requiring specialized skills, training, education and/or licensing to obtain such recognition.

10.03 General Requirements

Procurement of Professional Services, except for those identified in Section 287.055, Florida Statutes shall be accomplished using one of the methods described in Chapter 3 of this Guide. The method will be determined at the discretion of the City Manager.

As detailed in Section 19.04 below, the Consultants' Competitive Negotiation Act (CCNA), found in Section 287.055, Florida Statutes, will be followed in all instances when it is required by law, and may, at the discretion of the City Manager, be utilized in additional solicitations when the CCNA process would best serve the City's needs.

10.04 Competitive Consultants' Negotiation Act (CCNA)

Professional services procured per Chapter 287.055 of the Florida Statutes (Competitive Consultants' Negotiation Act) include architecture, professional engineering, landscape architecture, or registered surveying and mapping. It is the policy of the City to publicly announce all requirements for these professional services which exceed a cost of \$35,000.00. The consultant will be selected based on qualifications. The City will then negotiate a contract based on fair and reasonable prices.

1. Scope of Project Requirements

Prior to soliciting proposals for professional services, the Director of the appropriate department shall submit written project requirements indicating the nature and scope of the professional services needed by the City, including but not limited to the following:

- a. The general purpose of the service or study.
- b. The objectives of the study or service.

- c. The estimated period of time needed for the service of the study.
- d. The estimated cost of the service or study.
- e. Whether the proposed study or service would or would not duplicate any prior or existing study or service.
- f. List of current contracts or prior services or studies which are related to the proposed study or service.
- g. The desired qualifications, listed in order of importance, of the person or firm applicable to the scope and nature of the services requested.

2. Review of Project Requirements

The City Manager or his/her designee shall review the scope of project requirements and, if revisions of project requirements are warranted to best meet the needs of the City, copies of the revised project requirements shall be submitted to the user department for consideration prior to public distribution of the project requirements.

3. Distribution of Project Requirements

The Finance Department shall distribute the written project requirements to all persons on the mailing list who have indicated an interest in being considered for the performance of such professional services and to any other additional persons as the City Manager or using department deems desirable. The project requirements shall be accompanied by an invitation to such persons to submit a proposal and by notification of the date and time when such proposal is due. This date shall not be less than 14 calendar days from the date of the public notice which the City shall publish on the City's website and on any other digital platform utilized by the City for advertising and receiving bids. The Request for Qualifications shall state the relative importance of criteria outlined in the scope of services and other evaluation.

4. Proposed Cancellation or Postponement

The City Manager may, prior to a proposal opening, elect to cancel or postpone the date and/or time for proposal opening or submission.

5. Modification Prohibition After the publicized submission time and date, proposals shall not be modified or allowed to be modified in any manner except for correction of clerical errors or other similar minor irregularities as may be allowed by the Selection Committee (defined in Section 19.05) prior to making its selection.

6. Reuse of Existing Plans There shall be no public notice requirements or utilization of the selection process as provided in this section for projects in which the City is able to reuse existing plans from a prior project. However, public notice of any plans which are intended to be reused at some future time shall contain a statement which provides that the plans are subject to reuse.

10.05 Selection Committee and Evaluation

When the expense of the professional services is expected to exceed \$35,000.00 a selection committee shall be utilized, which shall consist of members selected by the City Manager.

1. Short Listing

Only written responses of statements of qualifications, performance data and other data received in the Finance Department by the publicized submission time and date shall be evaluated. Only those respondents who are determined to be best qualified based upon the evaluation of written responses (in accordance with Section 19.05.2) and selected for formal interview may submit additional data. From among those persons selected the Selection Committee shall:

- a. Prepare an alphabetical list of those persons determined by the Selection Committee to be qualified, interested and available.
- b. Designate no less than three persons on the alphabetical list considered by the Selection Committee to be best qualified to perform the work required.

2. Evaluation

The best qualified respondents shall be based upon the Selection Committee's ability to differentiate qualifications applicable to the scope and nature of the services to be performed. The Selection Committee shall determine qualifications, interest and availability by reviewing the written responses and by conducting formal interviews of no less than three elected respondents that are determined to be best qualified based upon the evaluation of written responses. The determinations shall be based only on the selection criteria contained within the RFQ. No other factors may be used.

- a. The scores for each person/firm will be tallied by each Selection Committee member. The highest-ranking person will be that person which receives the highest score. Selection Committee members will submit their rank ordered recommendations from highest to lowest. The person with the most first place standings will be considered the most qualified. In the unlikely event that two people tie, the person with the highest total score will prevail.

3. Commission Approval

Approval of the best qualified person shall be made by the City Commission prior to beginning contract negotiations.

10.06 Negotiation

Contract negotiations shall be conducted by the City Manager as directed by the City Commission. The City Manager shall negotiate a contract with the firm considered to be the most qualified to provide the services at compensation and upon terms which the City Manager determines to be fair and reasonable to the City. In making this decision, the City Manager shall take into account the estimated value, the scope, the complexity and the professional nature of the services to be rendered. The City shall conduct a cost analysis, including evaluation of profit based on a cost break submitted by the firm prior to issuance of a contract. Should the City Manager be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, negotiations with the firm shall be formally terminated. The City Manager shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, the City Manager shall formally terminate negotiations and shall then undertake negotiations with the third most qualified firm. Should the City Manager be unable to negotiate a satisfactory contract with any of the selected firms, the City Commission shall select additional firms in order of their competence and qualifications. The City Manager shall continue negotiations in accordance with this section until an agreement is reached or a decision has been made not to contract for such services.

10.07 Continuing Contracts

Nothing in Chapter 10 shall be construed to prohibit continuing contracts for professional services between a firm and the City.

10.08 Other Competitive Sealed Proposals

When the City Manager determines that the use of Invitation to Bid is either not practical or not advantageous to the City, a contract may be entered into by the use of other competitive sealed proposals.

1. Consultant's Competitive Negotiation Act

Professional services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered land surveying, as defined under the Consultant's Competitive Negotiation Act (CCNA) as defined in Section 287.055, Florida Statutes, shall be secured in strict conformance with CCNA.

2. Public Notice

Adequate public notice of the Request for Proposals shall be given in the same manner as provided in Section 10.04.3 of this policy.

3. Evaluation Factors

The Request for Proposals shall state the relative importance of criteria outlined in the scope of services, fee proposal and other evaluation.

4. Proposal Cancellation or Postponement

The City Manager may, prior to a proposal opening, elect to cancel or postpone the date and/or time for proposal opening or submission.

5. Revisions and Discussions with Responsible Offerers

As provided in the Request for Proposals, and under regulations promulgated by the City Commission discussions may be conducted with responsible offerers who submit proposals determined to be qualified of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Offerers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining the best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerers.

6. Award

Award shall be made to the lowest responsive and responsible offerer whose proposal is determined in writing to be the most advantageous to the City, taking into consideration the evaluation factors set forth in the Request for Proposals. The City shall conduct a cost analysis, including evaluation of profit, based on a cost break submitted by the firm prior to the award. No other factors or criteria shall be used in the evaluation criteria that is not included in the Request for Proposals.

CHAPTER 11: FEDERAL CONTRACT PROVISIONS

11.01 Definitions

For the purpose of this section only, the following definitions shall apply:

“Purchase” means the acquisition of any commodity using a purchase order to consummate the purchase. Purchase will also refer to the procurement of goods or services through an RFP, RFQ, or any other competitive sealed bid method, and a contract or agreement is used to formalize the purchase.

“Federal award” means any funding resulting from a grant award, public assistance, or any other type of funding from the U. S. government, whether the City contracts directly with the U. S. government or with a pass-through entity such as the State of Florida.

11.02 Scope

This section applies to the purchase of commodities and services using federal funding, whether it is 100% or any amount less than 100% federally funded.

11.03 System for Award Management (SAM)

1. Registration and Renewal

The City must be registered with the Federal government’s System for Award Management (SAM) in order to be eligible for Federal funding. The City’s registration will be renewed by the Grant Administrator on annual basis prior to the expiration date.

2. Potential Vendors and Contractors

A search of the SAM system of potential vendors and contractors will be performed prior to the award of a contract or issuance of a purchase order to ensure the vendor is not on the Federal government’s Excluded Parties List or debarred from performing Federal contracts.

11.04 Conflict of Interest

In accordance with Chapter 6: Conflict of Interest, all employees who participate in any phase of the purchasing process must be free of any conflict of interest. This also includes the Mayor and Commissioners when a vote of the Commission is required to finalize a purchase or contract for services.

11.05 Procedure

The following steps will be taken to ensure that the proper SAMS review and Conflict of

Interest Questionnaires are completed:

1. SAM Review

- a. The name and DUNS/UEI number of the potential vendor will be provided to the Grant Administrator.
- b. The Grant Administrator will perform a SAM review to determine the vendor's eligibility to receive federal funding. Should the SAM review indicate that the vendor is on the Federal Excluded Parties List, has been debarred, or has other unfavorable search results; the vendor will be considered disqualified and notified of the results. Should this occur, a SAM review of the next lowest responsive and responsible vendor will be performed to determine Federal qualification status.
- c. Printouts of all SAM reviews will be kept with the appropriate purchase order or contract. A copy will also be kept in grant files for future audit and monitoring reviews.

2. Conflict of Interest Questionnaire

- a. Once a potential vendor has undergone a favorable SAM review, all employees involved in the specific purchase decision, and Mayor/Commissioners when applicable, will be required to complete a Conflict of Interest Questionnaire. This will include all staff members giving signatory authorization on a purchase order request form.
- b. Any person with a conflict of interest must immediately excuse themselves from the selection, award, or administration of a contract of purchase.
- c. Conflict of Interest Questionnaires will be kept with the appropriate purchase order or contract. Copies will also be kept in grant files for future audit and monitoring reviews.

11.06 Violations

Disciplinary measures for violations of the provisions of this section shall be in accordance with the City of Lynn Haven Personnel Policy.

11.07 Affirmative Action

It is a Federal Requirement that the City reach out to ensure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible. The following format should be used to document your efforts:

Contracting with Small Businesses, Minority Businesses, Women Owned Businesses, and Labor Surplus Area Firms							
Date	Time	Contact Name & Method (Phone/E-mail/On-line)	SBA	MBE	WBE	Labor Surplus Area Firms	Response/Outcome

11.08 Methods of Inquiry

1. Small Businesses Administration

Call the Small Businesses Administration. The North Florida District Office covers the Bay County area. Their phone number is (904) 443-1900.

2. Minority Business Development Agency

The closest Florida business center of the U. S. Minority Business Development Agency is in Orlando. Their phone number is (407) 251-7021. The district office is in Atlanta and their phone is (404) 894-2096.

3. Florida Office of Supplier Diversity

The Florida Department of Management Services oversees the Office of Supplier Diversity. You may search their on-line portal at: <https://osd.dms.myflorida.com/directorries> or call them at (850) 487-0915.

4. Labor Surplus Area Firms

These firms are only used when appropriate and are considered the local, temporary employment agencies.

11.09 Code of Federal Regulations – Procurement Standards

The Code of Federal Regulations §200.318 thru §200.327 governs purchases made with Federal monies. Appendix II to Part 200 specifies contractual provisions. The Grant Administrator/Contract Manager shall review these provisions prior to procurement of any goods or services using Federal grant or public assistance funding.

11.10 Bonding Requirements

Federal construction contracts over \$150,000 must include the following bonding requirements:

1. Bid Bond

A bid guarantee from each bidder equivalent to five (5) percent of the bid price. The bid guarantee must consist of a firm commitment such as a bid bond or certified check accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

2. Performance Bond

A performance bond on the part of the contractor for 100 percent of the contract price. A performance bond is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

3. Payment Bond

A payment bond on the part of the contractor for 100 percent of the contract price. A payment bond is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and materials in the execution of the work provided for in the contract.

Federal contracts between \$35,000 and \$150,000 will require a payment bond and one other form of security.

11.11 FEMA Equipment Rates

Equipment rates are used for the reimbursement of funds when the City must use its own equipment for work associated with a Federal project. The City does not have local equipment rates; therefore, the FEMA equipment rates in effect at the time will be used when the need arises, such as a Federally declared disaster or other Federally funded project.