



LEE'S SUMMIT
M I S S O U R I

Procurement Policy

for the

City of Lee's Summit, Missouri

Approved by City Council: November 5, 2019
Ordinance No. 8758

**City of Lee's Summit
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SECTION 1. PROCUREMENT DEFINITIONS

*****Abrogate**: To annul or repeal a law or pass legislation that contradicts the prior law. Abrogate also applies to revoking or withdrawing conditions of a contract.

***Accept**: To receive as approved, adequate, or satisfactory. To receive willingly with the intent of retaining.

***Acquisition**: The process of obtaining supplies, services, construction or real estate through purchase, lease, or grants.

***Affidavit**: A written statement of facts provided by one party which may be made under oath before a person of authority. An Affidavit may be required as part of a bid or request for proposal solicitation. For City purposes, affidavits shall be notarized.

***Agent**: A person authorized by a superior, i.e. principal, to act for him or her.

***Agreement**: An understanding, usually in writing, between two or more competent parties, under which one party agrees to certain performance as defined in the agreement and the second party agrees to compensation for the performance rendered in accordance with the conditions of the agreement. Agreements and contracts are sometimes used synonymously. Generally, agreements are approved "as to form" and for legal sufficiency prior to execution.

***Amendment**: An agreed addition to, deletion from, correction or modification of a document or contract.

***Authority**: The right to perform certain acts or prescribe rules governing the conduct of others.

***Award**: The acceptance of a bid or proposal; the presentation of a purchase agreement or contract to a bidder or offeror.

***Best and Final Offer (BAFO)**: In a competitive negotiation, the final proposal submitted after negotiations are completed that contains the proposer's most favorable terms for price, services and products to be delivered.

***Best Value**: An assessment of the return which can be achieved based on the total life cycle cost of the item; which may include an analysis of the functionality of the item; can use cost/benefit analysis to define the best combinations of quality, service, and time and cost considerations over the useful life of the acquired item. A procurement method that emphasizes value over price. The best value might not be the lowest cost. Generally achieved through the Request for Proposal (RFP) method.

***Bid Bond**: An insurance agreement, accompanied by a monetary commitment, by which a third party (the surety) accepts liability and guarantees that the bidder will not withdraw the bid. The bidder will furnish bonds in the required amount and if the contract is awarded to the bonded bidder, the bidder will accept the contract as bid, or else the surety will pay a specific amount.

***Blanket Order**: A purchase order under which a contractor/vendor agrees to provide goods or services to a purchaser on a demand basis; the contract generally establishes prices, terms, conditions, and the period covered, although no quantities are specified; shipments are to be made when and as required by the purchaser which in certain cases may be the end user.

+Change Authorization: A form used on construction contracts when an amendment to the original contract is requested by the contractor and the work must proceed prior to processing a change order in order to prevent project delays.

***Change Order**: A written alteration that is issued to modify or amend a construction contract or construction project purchase order. A bilateral (agreed to by all parties) or unilateral (government orders a contract change without the consent of the contractor) request which directs the contractor to make changes to the contracted scope of work or specifications. In reference to construction contracts, it relates primarily to changes caused by unanticipated conditions encountered during construction not covered by the drawings, plans or specifications of the project.

- *Competitive Negotiations: A procurement method for obtaining goods, services and construction for public use in which discussion and negotiations may be conducted with responsible offerors who submit responsive proposals.
- *Construction: The process of utilizing labor to build, alter, improve, or demolish any structure, building or public improvement; generally does not apply to routine maintenance, repair or operation (MRO) of existing real property.
- +Construction Management: Construction management is the overall planning, coordination, and control of a project from beginning to completion as defined by state statute.
- *Contract: An obligation, such as an accepted offer, between competent parties upon a legal consideration, to do or abstain from doing some act. The essential elements of a contract are an offer and an acceptance of that offer; the capacity of the parties to contract; consideration to support the contract; a mutual identity of consent; legality of purpose; and definiteness. A legally binding promise, enforceable by law. An agreement between parties with binding legal and moral force, usually exchanging goods or services for money or other considerations.
- +Contractual Year: The dates used to identify annual spend on a contract when the contract's dates are not congruent with the fiscal year; such as 3/22/19 – 3/21/20. The amount is used in determining the appropriate approval level in Section 4.
- *Design-Build: A delivery method for construction projects that combines the architectural, engineering, and construction services required for a project into a single contractual agreement.
- *Designee: A duly authorized representative.
- **Electronic Bidding (e-bidding): Is an electronic bidding event (without awarding commitment) according to defined negotiation rules (e-Agreement). A buyer and two or more suppliers take part in this online event.
- +Emergency: An unexpected and urgent situation where an immediate threat to public health and safety exists; where conservation of public resources is at risk; where an immediate response is necessary to prevent further damage to public property, machinery, or equipment; or where delay would result in significant financial impact to the City as determined by the City Manager.
- *Enterprise Resource Planning (ERP): A business process software system that manages multiple management systems. May include finance, accounting, human resources, purchasing, inventory control, and other activities.
- *eProcurement (ePro): Conducting all or some of the procurement function over the Internet through point, click, buy, and ship Internet technology.
- ***Fee Simple: Absolute title to land, free of any other claims against the title, which one can sell or pass to another by will or inheritance.
- *Formal Bid: A bid that must be submitted in a sealed envelope and in conformance with a prescribed format to be opened in public at a specified date and time. As it pertains to the City, formal bids must be solicited for all goods or services \$50,000.00 or more.
- *Free on Board (FOB) Destination: Where the seller or consignee delivers the materials to a specified delivery point. The cost of shipping and the risk of loss are borne by the seller or consignee. Title passes when delivery is received by the buyer at destination. Seller has total responsibility until shipment is delivered.
- *Informal Bid/Proposal: A competitive bid, price quotation or proposal for supplies or services that is conveyed by a letter, fax, e-mail or other manner that does not require a formal sealed bid or proposal, public opening or other formalities. Generally relegated to requirements that may be considered low value or fall under a stipulated price/cost threshold. As it pertains to the City, informal bids/proposals are to be solicited for goods or services when the annual spend is to be less than \$50,000.00 annually.

*Invitation for Bid (IFB): All documents used to solicit competitive or multi-step bids.

*Invitation to Negotiate (ITN): A competitive negotiation process that is used when the procurement authority deems it is in its best interest to negotiate with offerors to achieve "best value." A form of source selection that is similar to the Request for Proposal process.

*Life Cycle Cost: The total cost of ownership over the life span of the asset.

***Lowest and Best: in determining the lowest and best responsive bidder, cost, and other factors are to be considered in the evaluation process. Factors may include, but are not limited to, value, performance, and quality of a product. 34.010.2 RSMo

*Modification: Any written alteration to a provision of any contract accomplished by mutual agreement of the parties to the contract. Used synonymously with the term Amendment.

*Procurement: Purchasing, renting, leasing, or otherwise acquiring any supplies, services or construction; includes all functions that pertain to the acquisition, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration. The combined functions of purchasing, inventory control, traffic and transportation, receiving, inspection, storekeeping, salvage and disposal operations.

+Procurement and Contract Services Manager: The City's chief procurement officer responsible for management of Procurement and Contract Services, monitoring of services provided by the division, and other responsibilities as designated within the policy.

*Protest: A written objection by an interested party to a solicitation or award of a contract with the intention of receiving a remedial result. May be filed in accordance with the agency policy and procedure within predetermined timelines.

+Project: A planned piece of work that has a specific purpose (such as to find information/solution or to make something new) and that usually requires a lot of time.

*Project Manager: Designated individual within the agency to administer a specific task or contract.

*Purchase Order: A purchaser's written document to a vendor formalizing all the terms and conditions of a proposed transaction, such as a description of the requested items, delivery schedule, terms of payment, and transportation.

+Qualification Based Selection (QBS): QBS is a process used by the City to obtain statements of qualifications for architectural, engineering, land surveying, or landscape architecture as required by state statute. The City also follows this process for design-build services and may choose QBS for other services unless prohibited by law or other policies.

*Quote: An informal purchasing process which solicits pricing information from several sources.

*Quotation: A statement of price, terms of sale, and description of goods or services offered by a vendor; may be non-binding if solicited to obtain market information for planning purposes.

+Real Property: Real property shall be disposed of or acquired as allowed under this policy and state statute.

*Request for Information (RFI): A non-binding method whereby a jurisdiction publishes via newspaper, internet, or direct mail its need for input from interested parties for an upcoming solicitation. A procurement practice used to obtain comments, feedback or reactions from potential suppliers (contractors) prior to the issuing of a solicitation. Generally price or cost is not required. Feedback may include best practices, industry standards, technology issues, etc.

*Request for Proposal (RFP): The document used to solicit proposals from potential providers for goods and services (Offerors). Price is usually not a primary evaluation factor. Provides for the negotiation of all terms including price prior to contract award. May include a provision for the negotiation for Best and Final Offers.

+Request for Qualifications (RFQ): A document issued by the City to obtain statements of qualifications for professional services such as architectural, engineering, land surveying, or landscape architecture. This document is part of the QBS process.

*Requisition: An internal document by which a using agency sends details of supplies, services, or materials required to the Procurement and Contract Service Department. Requisitions are entered into and processed by the City's ERP system.

*Responsible Bidder/Offeror: A contractor, business entity or individual who is fully capable to meet all of the requirements of the solicitation and subsequent contract. Must possess the full capability, including financial and technical, to perform as contractually required. Must be able to fully document the ability to provide good faith performance.

*Responsive Bidder/Offeror: A contractor, business entity or individual who has submitted a bid or request for proposal that fully conforms in all material respects to the IFB/RFP and all of its requirements, including all form and substance.

*Scope of Work (SOW): A detailed, written description of the conceptual requirements for the project contained within a Request for Proposal. The scope of work should establish a clear understanding of what is required by the entity.

*Sole Sourcing: A situation created due to the inability to obtain competition. A procurement method where only one supplier possesses the unique ability or capability to meet the particular requirements of the solicitation. As it pertains to the City, a sole source justification from the requester is required as set forth in this policy.

*Specification: A precise description of the physical or functional characteristics of a product, good or construction item. A description of goods as opposed to a description of services. A description of what the purchaser seeks to buy and what a bidder must be responsive to in order to be considered for award of a contract. Specifications generally fall under the following categories: design, performance, combination (design and performance), brand name or approved equal, qualified products list and samples. May also be known as a purchasing description.

*Surplus Property: Refers to goods or materials that are obsolete or no longer needed by the agency and are designated for disposal. Said items may disposed of by auction, sealed bid or disposal.

*Term Contract (aka: On-Call, Term & Supply or Yearly): A type of contract in which a source of supply is established for a specified period of time for specified services or supplies all at a predetermined unit price; usually characterized by an estimated or definite minimum quantity, with the possibility of additional requirements beyond the minimum, all at a predetermined unit price.

+Transaction: A Transaction is a single occurrence of buying or selling something; a business deal. A transaction is an agreement between a buyer and a seller to exchange goods, services or financial instruments.

*Terms and definitions from the "Public Procurement Dictionary of Terms". "The Comprehensive Reference for Public Purchasing Terms and Concepts". National Institute of Governmental Purchasing, Inc. (NIGP), 151 Spring Street, Herndon, VA 20170. Copyright 2012 by NIGP.

** Terms and definitions from Wikipedia.

*** Definitions from Law.com.

+Definitions were determined based on current City practices and processes.

SECTION 2. AUTHORITY AND ENFORCEMENT

2.1 Compliance with Policy. The acquisition of property, products and services by or on behalf of the City of Lee's Summit, its departments, officials and authorized agents shall be made in accordance with the procurement policy contained herein unless otherwise specified by City Charter or approved by the City Council.

2.2 Parks and Recreation Department. Procurement for the Parks and Recreation Department shall follow the standards and requirements set forth in this policy. Unless otherwise provided by City Charter, or other applicable law, the Administrator of Parks and Recreation shall exercise the authority that would otherwise be exercised by the City Manager, as set forth in this policy regarding procurements for the Parks and Recreation Department. The Parks and Recreation Board shall exercise the authority that would otherwise be exercised by the City Council, as set forth in this policy, regarding procurements for the Parks and Recreation Department.

2.3 Authorized ERP System Users. Department Directors shall submit to the Information Technology Services (ITS) Department a list of personnel authorized to issue requisitions, approve requisitions and conduct receiving functions on behalf of said department. It will be the Department Directors or their designees' responsibility to inform the ITS Department of any changes to the departmental listings. ITS shall update the City's ERP system accordingly.

2.4 Unauthorized Purchases/Transactions. Any purchase or any transaction that does not comply with this policy shall be considered an unauthorized purchase and may result in disciplinary action as identified herein, which may also include repayment/restitution to the City. When an unauthorized purchase becomes evident, the Procurement and Contract Services Manager, P-Card Administrator (if applicable), designated procurement representative or any other City employee will notify the applicable Department Director. The Director shall be responsible for submitting a memorandum outlining the facts and circumstances of the purchase, as well as steps taken to avoid future unauthorized purchases, to the Procurement and Contract Services Manager, P-Card Administrator (if applicable), and City Manager.

2.4.1 Enforcement. The City Manager will have the responsibility for the enforcement of this administrative policy. Department Directors will be entrusted with the responsibility of enforcing the policy within their departments.

2.4.2 Disciplinary Action. Noncompliance with the provisions of the Procurement Policy may result in the initiation of applicable disciplinary action as identified in the City Charter, Code of Ordinances or Personnel Policies. Any disciplinary action for violation of this policy shall be determined by the City Manager in accordance with section 2.4.1 Enforcement.

2.5 Split Purchase. Intentionally breaking an order or project to an external vendor(s) in to two or more purchases/payments to avoid procurement policy processes. Split purchases shall not be permitted and shall be considered a violation of this Policy.

2.6 Contracting Authority. Unless otherwise established by the City Charter, this policy, or by the City Council, the City Manager shall execute all documents necessary to effectuate the procurement of goods and services or that generate revenue on behalf of the City of Lee's Summit. All approval levels and requirements stipulated in this policy shall be adhered to, unless otherwise approved by the City Council.

2.7 Renewal of Contracts/Agreements. Contracts/Agreements may be renewed by the City Manager without additional Council approval as long as the original Contract/Agreement contained terms allowing for renewals. The User Department shall have the authority to recommend to Procurement approval of proposed renewal price increases if they concur. The vendor shall provide justification for price increases; the City is to determine if it is reasonable, fair, mutually agreed to, and within the parameter(s) established in the original solicitation. Prior to execution, the resulting renewal contract/agreement shall be approved by the Law Department and City Manager.

2.8 Prohibited Acts by Elected and Appointed Public Officials and Employees. For any transaction identified in this policy, the City shall not knowingly purchase any service, good or property from any Councilmember, the Mayor or any City Employee or any entity in which he or she holds a “substantial interest”. For purpose of this section the term “substantial interest” shall mean ownership by the individual either directly or indirectly of ten percent or more of any business entity, or of an interest having a value of ten thousand dollars or more, or the receipt by an individual of a salary, gratuity or other compensation or remuneration of five thousand dollars, or more per year from an individual, partnership, organization, or association within any calendar year. Additionally, it is recognized that it is difficult or impossible for every employee utilizing a purchasing card to have knowledge of every entity which a Councilmember, the Mayor or another employee may hold an interest as described above; however, the City shall exercise its best efforts to refrain from conducting such transactions utilizing a purchasing card and shall not knowingly do so.

SECTION 3. GENERAL REQUIREMENTS

3.1 Specifications. It is the responsibility of the department to write specifications and establish the quality of the product or service required. Procurement and Contract Services may assist the department in writing specifications, upon department request. Specifications shall be written to foster competition.

3.2 Preference Policy. The City does not have a preference policy to purchase commodities or services from state, local, or minority enterprises. The City encourages participation in solicitation processes from local and regionally based businesses through education and recruitment activities. The City engages in processes to foster participation of qualified small and minority businesses and women’s business enterprises as required by grant funding as more fully outlined in Section 3.5, below.

3.3 Domestic Product Policy. The City of Lee’s Summit has adopted a formal written policy to encourage the purchase of domestic products that are manufactured or produced in the United States (See City of Lee’s Summit Resolution No. 87-18, section 34.353 3(5) RSMo).

3.4 Green Procurement and Recycled Products. City staff is encouraged to integrate environmental factors into the City’s buying decisions and procure environmentally preferable goods and services whenever practicable. Consideration should be given to:

- a. Replacing disposable with re-usable, recyclable, or compostable goods whenever possible. Specify and/or purchase products which contain a high percentage of post-consumer recovered material, reduce waste in the manufacture and use of products, and reduce packaging.
- b. Specifying non-virgin materials when comparable performance can be achieved.
- c. Life cycle cost.
- d. Impacts and threats of harm to human health or the environment.
- e. The environmental performance of vendors in providing products and services.

3.5 Purchases Supported by Grant Funds. Departments shall review all requirements for grant funding to ensure the procurement process required as a condition to receiving said grant funds are complied with during the procurement of the item. Procurement and Contract Services will assist in the inclusion of all required procedures that are in addition to the requirements of this policy.

- To encourage participation from qualified small and minority businesses and women’s business enterprises, the City will add qualified businesses on solicitation lists; send solicitation notices to qualified businesses and as appropriate use such organizations as the Small Business Administration and the Minority Business Development Agency to identify qualified businesses.
- To the extent that a grant contains a requirement related to mandatory procurement policies that are not contained in this Procurement Policy, the City Manager shall have the authority waive provisions of this

policy in the form of a written memorandum for the limited purpose of ensuring compliance with the grant requirement; such requirements however shall not alter the approval levels as set forth herein, or violate any existing ordinances or resolutions of the City. Any such waivers shall be made in writing.

3.6 Computer Related Items. Purchases of computer-related equipment/software must be made via the ITS Department unless the Chief Technology Officer (CTO) delegates certain purchases to certain departments. All purchases shall be in compliance with the procurement policy contained herein. Prior approval of the CTO or designee is required to purchase, transfer or dispose of any computer software or related hardware.

3.7 Capital Asset Items. Departments are responsible for following the City's Capital Asset Policy when accepting and receiving any item that meets the definition of a capital asset. An item is a capital asset if: a. It is tangible in nature; b. Has a useful life longer than two years; and c. Has a value exceeding \$5,000.00.

3.8 Sensitive Asset Items. A sensitive asset is an asset with a value of \$5,000.00 or less which could easily be adopted for personal use or converted into cash, including property for which theft, loss, or misplacement could be dangerous to the public safety or community security. Sensitive asset property must be subject to physical security, protection, control and accountability by the department assigned with responsibility of the asset. Examples of sensitive asset items include but not limited to: a. Fire Arms and Weapons; b. Computers; c. Cellular Phones; and d. Audio Visual Equipment.

3.9 Construction Projects. Construction Projects should be procured through and coordinated with the Public Works Department. Projects of this type and size require specific construction documents, professional services and management. Contracts of \$50,000.00 or more require Committee and City Council approval.

3.10 Licenses. If applicable, the Procurement and Contract Services Division shall be responsible for ensuring that valid business licenses are on file for all contracts. If applicable, for purchases made from vendors which are not on a valid contract, the procuring department shall be responsible for confirming a valid business license exists.

A business license shall not be required if the vendor's place of business does not reside within the corporate limits of the City of Lee's Summit and the vendor is only delivering products or equipment within the City.

3.11 Insurance Requirements. If applicable, vendors shall provide a certificate of insurance and endorsements in accordance with all contractual requirements. Contact the Risk Manager in the Law department for assistance with insurance requirements.

3.12 Vendor Requirements. To be placed in the City's ERP system as a vendor, vendors are required to provide a Federal W-9 and a completed City's Vendor Information Form to the applicable ordering/contracting department. The department must provide said forms to the City's Accounts Payable Division.

3.13 Work Authorization and E-Verify. For any contract for services greater than \$5,000, the successful bidder shall comply with RSMo 285.530, as amended, and (1) provide by sworn affidavit affirmation that it does not knowingly employ any person who is an unauthorized alien and (2) provide documentation affirming its enrollment and participation in a federal work authorization program with respect to the employees working in connection with this contract. The required documentation affirming enrollment must be from the federal work authorization program provider. Letter from respondent reciting compliance is not sufficient. When applicable, solicitations shall require the signed and notarized Work Authorization Affidavit and the electronic signature page from the E-Verify program prior to the issuance of a contract.

3.14 Prevailing Wage. Contracts for construction or major repair projects that have an estimated or actual expenditure of \$75,000 or more shall comply with RSMo 290.210, et seq, as amended. Missouri's prevailing wage

law establishes a minimum wage for certain projects. For assistance determining if a project is prevailing wage, contact the Law Department.

3.15. Contract Total Cost: Departments shall include the annual cost of goods, services, maintenance, shipping, handling, travel expenses, labor, installation, and any other ancillary costs as part of Total Cost when applying approval levels in Section 4. The annual Lease amount for equipment or real property and associated ancillary costs shall be used as the total cost when applying approval levels in Section 4.

3.16 Funding. Prior to initiating any procurement, staff shall ensure that sufficient funds are available for the acquisition of the goods and/or services.

SECTION 4. APPROVAL LEVELS

The following approval levels, based on annual Contract Total Cost, apply to the purchase of items and services not currently under contract. Unless otherwise stated herein, all contracts in which the City is expending \$50,000.00 or more annually, or is anticipated by City staff to result in commission from a vendor of \$50,000.00 or more annually shall be subject to approval by the applicable committee and City Council. Process descriptions are in Section 5 Solicitation Processes. Contact Procurement and Contract Services for assistance.

Contracts for purchases of less than \$10,000.00: A contract or insurance rider may be needed for services performed on City property or if vendor is interacting with the Public on the City's behalf. Contact the Risk Manager for insurance requirements.

4.1 Level I – Discretionary Transactions \$0.01 - \$2,999.99. The Department will identify sources for the item or service and select the best value for the City. The Department designee approves the transaction.

4.2 Level II – Quotes \$3,000.00 - \$9,999.99. The Department shall obtain quotes as outlined in Section 5.1 Quotes. The Department designee approves the transaction. The quotes and/or quote tabulation form are emailed to the designated procurement officer to be attached the purchase order.

4.3 Level III – Informal Solicitation \$10,000.00 - \$49,999.99. The Department director or designee approves the award of the purchase.

- A) If the transaction is a one-time purchase of a commodity then quotes may be used (Section 5.1 Quotes). Identify and select the best value based on the quotes. The quotes and/or quote tabulation form are emailed to the designated procurement officer to be attached the purchase order.
- B) If procuring a service or making multiple purchases of the same item(s), then the department designee shall contact the designated procurement officer to identify the best informal solicitation method. The resulting solicitation shall be reviewed by Procurement and Law prior to publication. The contract shall be reviewed and approved by the Law Department and City Manager.

*Spend on Level III solicitations and resulting agreements will be reviewed annually. If annual spend exceeds \$50,000.00 then a formal solicitation may be issued, a new contract executed and presented or the contract renewal will be executed and presented to the applicable committee and City Council for approval. The increased spend may be the result of additional departments utilizing a valuable contract.

4.4 Level IV – Formal Solicitation \$50,000.00 and over. Transactions at this level require approval of the Department Director, applicable committee, Law Department, and City Council. The Department shall coordinate the formal solicitation type and process with Procurement and Contract Services.

4.5 Revenue Generating Contracts. The approval levels outlined in the Section 4 shall apply to contracts or agreements that generate revenue for the City rather than the expenditure of City funds.

SECTION 5. SOLICITATION PROCESSES

5.1 Quotes (Level II and Level III one-time purchase). The Department shall get quotes from a minimum of three (3) or more vendors (when possible). Quotes shall be documented either on a quote form from the vendor or on the Quote Tabulation Form (i.e. phone quotes) found on the City intranet. The Department designee approves the selection and emails the quotes or quote tabulation form to the applicable procurement officer to have the quote(s) attached to the purchase order.

5.2 Bids (Level III and Level IV). The anticipated or historical Total Cost per contractual year shall determine the appropriate solicitation method. To comply with this policy, the Department shall coordinate the bid with the appropriate staff in Procurement and Contract Services. The Procurement and Contract Services staff will assist in determining the appropriate method of procurement, any special requirements, tentative timeline for the project, estimated costs, roles, and possible suppliers. Documents prepared by Procurement and Contract Services staff will be submitted to the Department for review and approval prior to publishing.

5.2.1 The Department shall evaluate the bids and make a recommendation for award. The bid shall be awarded to the lowest and best responsive bidder's response that is deemed to be in the best interest of the City.

5.2.1.1. Informal Bidding (Level III) – The solicitation is distributed to a minimum of three (3) potential vendors (when possible). The Department may choose the method of response to be required (i.e. written or electronic or both). The deadline for submission of bids may be extended by the City as long as bidders have been notified before the original bid closing date and time

5.2.1.2. Formal Bidding (Level IV) – The solicitation is distributed to vendors and the appropriate advertisement as required is posted. Based on the project type, performance, payment, and bid bonds may be required. The bid shall state the date and time after which bids will not be accepted. The deadline for submission of sealed bids may be extended by the City as long as any received bids remain sealed and bidders have been notified before the original bid closing date and time.

5.3 Request for Proposals (RFP) (Level III and Level IV). The Project Manager shall work with Procurement and Contract Services to define the scope of work, any special requirements, tentative timeline for the project, estimated costs, roles, proposal evaluation criteria, and possible suppliers. The evaluation criteria may include, but is not limited to: responsiveness to project needs, evidence of experience, reliability, references, expertise of firm, expertise of key personnel, project approach, and cost. The deadline for submission of proposals may be extended by the City as long as proposers have been notified before the original closing date and time.

5.3.1. *Selection Committee* – A selection committee shall be established by the Project Manager to review the proposals and score each proposal according to the criteria established in the Request for Proposal.

5.3.2. *Evaluation Process* – The selection committee shall first score each proposal received on criteria established in the Request for Proposal. The composite scores of the committee shall be used to determine the top rated firms. If it is determined by the committee that interviews are needed, firms will again be scored after the interviews and the interview composite score recorded. The interview composite score sheet, if applicable, will be used to determine the highest rated proposal.

5.3.3. *Evaluation of Cost* – Cost shall be evaluated using a pre-established formula based upon the weight assigned to that criteria. Cost may be considered at initial evaluation, following initial proposal scoring, or incorporated after scoring has been completed.

5.3.4. *Negotiation Process* – Upon determining the highest scored respondent, the Project Manager will then begin negotiations with the respondent receiving the highest score. If the City is unable to negotiate mutually agreed upon terms related to the proposal or project with the top scoring respondent, the City may begin negotiations with the second highest scoring respondent, and so forth until mutually agreed upon terms related to the proposal or project are reached. After said terms have been reached, the City may request a fully executed best and final offer (BAFO) from an authorized agent of the selected firm to document any changes made during the negotiation process. Said BAFO shall be incorporated into the applicable contract.

5.4 Invitation to Negotiate (ITN). The City may procure commodities and contractual services by an ITN. An ITN is used when the goals or problems of the project can only be generally described in the scope of work. Respondents provide proposed solutions to the problem or methodologies to achieve the desired goal.

5.4.1 The ITN shall include: (1) a statement of the commodities or contractual services sought; (2) the time and date for the receipt of replies and the public opening as provided in the ITN document; (3) the primary terms and conditions applicable to the procurement, including the criteria to be used in determining the acceptability of the reply; (4) the time frames for completion of the work, including renewal periods, if applicable, and (5) the format for the recommended pricing structure.

5.4.2 A response is generally evaluated for its technical merit, innovative methodology, experience, and cost within the limitations set forth in the ITN. It differs from an RFP in that responses may be refined during the negotiation and evaluation process prior to making an award of the contract. Proposals may be ranked at any point in the evaluation process when the Evaluation Team determines it has received sufficient information from respondents. Ranking is not required prior to negotiations. The City may negotiate concurrently with multiple respondents selected for negotiations.

5.4.3 The City may select one or more respondent(s) upon the conclusion of negotiations. At the conclusion of negotiations, the City should request a fully executed best and final offer (BAFO) from an authorized agent of the selected firm(s) to document the terms agreed upon during the negotiation process. Said BAFO shall be incorporated into the applicable contract/agreement. When concurrent negotiations are held, BAFOs should be obtained from all respondents participating in the negotiations prior to final evaluation and recommendation of award.

The City may award contract/agreement(s) to one or more responsible respondent(s) based on the BAFOs the City determines who will provide the best value and best meet the City's objectives.

5.4.4 The solicitation file shall contain documentation of the basis for respondent selection, setting forth the deliverables and price pursuant to the contract/agreement, and explaining how these deliverables and price meet the objectives of the solicitation.

5.5 Qualifications Based Selection (QBS). The QBS process must be used for selection of professional services consultants for architecture, engineering, land surveying and landscape architecture in accordance with RSMo 8.285, et. seq. QBS may be used for other types of services allowed or required by law and determined by the Project Manager.

5.5.1 Whenever architectural, engineering, land surveying, landscape architecture or design-build services are needed, the Department Director or designated representative of the City department conducting the solicitation shall prepare a Request for Qualifications (RFQ). The RFQ will include a description of the project or services required and the criteria to be used in evaluating responses from interested professionals. Criteria should be tailored for the specific project or services needed and may include such items as:

- The specialized experience and technical competence of the respondent with respect to the type of services required;
- The capacity and capability of the respondent to perform the requested work;
- The past record of performance of the respondent with respect to such factors as control of costs, quality of work, and ability to meet schedules;
- The respondent's familiarity with the area in which the project is located; and/or
- The respondents understanding of the required services and specific ways in which the firm is most qualified to provide those services.

5.5.2 For design-build RFQs the criteria may also include a list of architects, engineers, land surveyors, contractors, etc. proposed to provide services.

5.5.3 When an RFQ is used, a selection committee shall be established by the Department Director or the Project Manager to review the qualifications. Each committee member will score each respondent's response according to the criteria set forth in the RFQ. The scoring of respondents by the committee will be used to determine the

top rated respondent, which may be interviewed at the discretion of the Department Director or the Project Manager. If interviews are conducted, the respondents are again scored after the interviews according to the criteria and a final scoring by the committee will determine the most responsive and qualified respondent(s). The solicitation file shall contain documentation of the basis for selection.

5.5.4 If the Department is unable to negotiate a satisfactory contract with the selected respondent, those negotiations shall be terminated. Negotiations shall then commence with the second highest scoring respondent. If there is failure to reach agreement with the second respondent, the process will repeat until a contract has been successfully negotiated. At the conclusion of negotiations, the City should request a fully executed best and final offer (BAFO) from an authorized agent of the selected firm(s) to document any changes made during the negotiation process. Said BAFO shall be incorporated into the applicable contract/agreement. If there is a failure to negotiate a contract with any of the respondents, the Department shall reevaluate the necessary services and scope of work and re-issue a revised RFQ if appropriate and proceed in accordance with the provisions of this article.

5.5.5 For design-build services, contracts may be negotiated as two separate agreements: 1. For preliminary design-build services and; 2. For final design-build services, or a single initial contract for all services.

5.6 Use of Approved On-call Contracts for Services: An on-call contract for services is a contract for services such as engineering, architectural, land surveying, consulting, construction, specialized or technical services, or any other services in which a source of supply is established for a specified period of time for specified services all at a predetermined unit price. When utilizing an on-call contract for services, the using department personnel shall confirm the work is within the general scope of the agreement and validate rates and unit costs applicable to the required work.

- a. For a defined scope of work, staff will obtain a quote before authorizing the provider to proceed.
- b. Confirm in writing the applicable rates or other costs contained in the contract that will be used for work performed on an hourly or other unit price basis.
- c. For each project, an addendum to the on-call agreement shall be prepared reciting the scope of services to be provided, payment terms and fee schedule and any other project specific terms.
 - c.1. Projects which have received approval and appropriation through the budget process which can be completed through use of an on-call contract may be awarded without additional approval.
 - c.2 Projects with a total cost of less than \$50,000.00 shall be approved by the appropriate Staff as identified in Section 4. Approval Levels.
 - c.3 Unbudgeted projects costing \$50,000.00 or more shall be approved by the applicable committee and City Council.

5.7 Requests for Information (RFI). A RFI is used prior to preparing documents for a Bid, RFP, or RFQ.

SECTION 6. ALTERNATIVE PROCUREMENT METHODS

6.1 Cooperative Purchasing. Cooperative Purchasing is a form of procurement that can take many forms.

Common forms used by the City are:

- Two or more entities combine requirements and solicit bids or offers for goods or services.
- Entities include terms in their solicitations that allow a similar entity to piggyback on the awarded contract.
- Third Party Aggregators that bring multiple entities together to represent their requirements resulting in the award of contracts.

For approval purposes, the approval levels defined in Section 4 shall apply.

The City Manager shall have the authority to approve the City's participation in cooperative contract(s).

Procurement and Contract Services will review cooperative contract(s) to make sure they are competitively awarded and cost effective. The Department designee will determine if the contract meets the Department's

needs. If service or work is to be performed on City property, then review the contract's included insurance as it may not include adequate coverage and protection for the City. Contact the City's Risk Manager assistance.

6.2 Convenience Contracts. Convenience contracts are established in accordance with applicable procurement laws and policies for the purchase of goods and services for use by the City and offer a higher than normal level of convenience and flexibility in circumstances where it is warranted. Every reasonable effort should be made to obtain competitive pricing and good quality while using convenience contracts. Individual transactions using convenience contracts must be less than \$3,000.00.

6.2.1 Convenience Contracts are permitted when at least one of the following criteria is met:

1. Due to the time sensitive nature of the goods or services, it would not be prudent or cost effective to utilize another procurement method.
2. Proximity of the vendor to the area where services or products are needed is a significant consideration.
3. Quality assessment of the product or service is subjective and difficult to process a solicitation. May be based on preferences of the City's customers, volunteers, etc. Examples include, but not limited to performing artists and programs instructors. This is a need to be responsive to the preferences of the City's clientele.

6.2.2 For approval purposes, the approval levels defined in Section 4 shall apply.

Refer to the guidelines for Convenience Contracts on the City's intranet for process details. Contact the Procurement and Contract Services staff for assistance in establishing a Convenience Contract.

SECTION 7. NON-SOLICITATION TYPE OF PROCESSES

7.1 Emergency Purchase. Immediately upon determining that an Emergency exists, as defined in Section 1, and prior to contacting vendors for supplies and services, the City Manager or Procurement and Contract Service Manager shall determine the appropriate course of action. Emergency purchases shall be made with as much competition as practical under the circumstances. Departments must submit emergency purchases on the appropriate form and shall include an explanation of the emergency in advance of the purchase or as soon as practical thereafter.

7.1.1 The City Manager or the Procurement and Contract Service Manager shall have the authority to approve all emergency purchases \$24,999.99 and below. Emergency purchases \$25,000.00 to \$49,999.99 require the approval of the City Manager. An emergency purchase \$50,000.00 or more shall be tentatively approved by the City Manager and shall be presented to City Council for ratification at the earliest opportunity after the purchase has been made.

7.1.2 If an Emergency exists that requires a contract modification, the City Manager shall have the authority to execute a contract modification where approval by the City Council would otherwise be required. The emergency modification shall be submitted to the City Council by the City Manager for ratification at the next available Council meeting.

7.1.3 During periods of a "declared city emergency" by the Mayor, purchases may be made in accordance with the City's Emergency Operations Plan.

Documents for Emergency Purchase, Exhibit A, are on the City's Intranet.

7.2 Sole Source. The Procurement and Contract Services Manager may waive the requirement of competitive bids or proposals for supplies/services when he/she has determined in writing the following conditions:

- a. supplies or services are proprietary and only available from the manufacturer or a single distributor;
- b. based on past procurement experience, it is determined that only one (1) distributor services the region in which the supplies are needed;
- c. supplies or services are available at a discount from a single distributor for a limited period of time; or
- d. A firm has significant previous or specialized knowledge on a proposed project that would result in significant monetary and/or time savings in completion of the project.

7.2.1 Sole source purchases shall be subject to approval as follows:

- \$.01 – \$9,999.99: Department Director and the Procurement and Contract Services Manager prior to purchase. Any resulting contract shall be reviewed by Law and signed by the City Manager.
- \$10,000.00 - \$49,999.99: Department Director, Procurement and Contract Services Manager, City Manager prior to purchase, with written recommendation from the above.
- \$50,000.00 and over: Department Director, Procurement and Contract Services Manager, City Manager, applicable committee, and City Council prior to purchase with written recommendation from the above.

Departments must submit a sole source request on the appropriate form and include justification for the sole source.

Documents for Sole Source, Exhibit B, are on the City Intranet.

7.3 Exempt Expenditures. The following types of expenditures are deemed to be ineligible for competitive pricing and are therefore exempt from the Policies related to solicitation processes defined herein. These expenditures include:

- Utilities – phone, electricity, gas, water, sewer, Internet, cable/dish services
- Advertising-employment, public notices and hearings, promotional, legal notices
- Professional memberships, sponsorships, training
- Subscriptions to professional publications
- Travel reimbursement and direct payments to travel related vendors
- Maintenance and/or support contracts with vendors pertaining to software or hardware, which are required in order to maintain warranty compliance or the continuation of licensing and/or maintenance agreements
- Payments made in connection with risk management claims
- Postage for mail and Postage for bulk mailing
- Parks and Recreation “Camp Summit” activities such as Field trips to local attractions (Science City, Worlds of Fun, World War I Museum, etc.), food venues, supplies and services
- Independent contracts for specialized services and programs offered by City to the community

SECTION 8. CONTRACT MODIFICATIONS

A Contract Modification is necessary when there is a change in the quantity, cost, or scope of the item, service or work provided under the contract.

8.1 Non-Construction Contracts. Contract modifications shall be in writing and executed by all parties.

8.1.1. Contracts under \$50,000.00: Modifications resulting in a total cost for the contractual year of \$49,999.99 or less shall be approved by the City Manager.

8.1.2. Contracts \$50,000.00 and Greater: (i) Any single modification for an increase of \$50,000.00 or more, or (ii) any change in contract scope shall be approved by the City Council. Changes not associated with a change in the contract scope or less than \$50,000.00 must be recommended for approval to Procurement and Contract Services by the appropriate Department Director and approved by the City Manager. Any modification resulting in a decrease in costs may be approved administratively by the appropriate Department Director and the City Manager.

8.1.3. Extensions: Extension to contract term may be made with City and Vendor agreement at the same prices as the final renewal not to exceed one year. Said extension shall be in writing and executed by all parties. The approval levels in Section 4 shall determine the appropriate approvers for the extension.

8.2 Construction Contracts.

8.2.1 Change Orders

8.2.1.1. **Contracts \$500,000.00 and Greater:** Changes (i) exceeding five percent (5%) of the original contract, (ii) any single change order for an increase of \$100,000.00 or more, or (iii) any change in contract scope shall be approved by the City Council. Changes not associated with a change in the contract scope up to a cumulative total increase of five percent (5%) or less of the original contract amount must be approved by the appropriate Department Director and the City Manager. Any change order resulting in a decrease in costs may be approved administratively by the appropriate Department Director and the City Manager.

8.2.1.2. **Contracts less than \$500,000.00:** Changes (i) exceeding ten percent (10%) of the original contract, (ii) any single change order for an increase of \$50,000.00 or more, or (iii) any change in contract scope shall be approved by the City Council. Changes not associated with a change in the contract scope up to a cumulative total increase of ten percent (10%) or less of the original contract amount must be approved by the appropriate Department Director and the City Manager. Any change order resulting in a decrease in costs may be approved administratively by the appropriate Department Director and the City Manager.

8.2.2 Urgent Change Authorizations for Construction Contracts. When total change orders exceed the percentages outlined above, and, due to the stage of construction in progress or to prevent a lengthy delay in a project, the applicable Department Director, with the approval of the City Manager and with notification to the appropriate City Council committee chairperson, can issue a Change Authorization. The change authorization must be incorporated into a formal change order and presented to City Council for ratification at the next available meeting.

8.2.3 Changes in Contract Time for Construction Contracts. . Change orders resulting in an increase to the contract time exceeding ten percent (10%) of the original contract time, a single change order increasing contract time by 30 days or more, or any change in contract time due to a change in scope shall be approved by the appropriate Committee and City Council. For changes in contract time not associated with a change in contract scope, additional time up to a cumulative total of ten percent (10%) or less of the original contract time may be approved by appropriate Department Director and the City Manager Any change order resulting in a decrease in contract time may be approved administratively by the appropriate Department Director and the City Manager.

8.2.4 Modifications to One Time Design Consultant Contracts. Any modification resulting in an increase to the contract amount exceeding ten percent (10%) of the original contract, any single modification for an increase of \$100,000.00 or more, or any change in contract scope shall be approved by the appropriate Committee and City Council. For modifications to one-time contracts for design of construction projects, changes in cost of services, not associated with a change in the contract scope, up to a cumulative total increase of ten percent (10%) or less of the original contract amount may be approved by the appropriate Department Director and the City Manager. Any modification resulting in a decrease in cost must be approved administratively by the appropriate Department Director and the City Manager.

SECTION 9. PROJECT DELIVERY METHODS

The City recognizes there are several methods to complete a successful construction project. The Department uses the scope and complexity of the project to determine the best method to use. The following are approved methods for delivery of construction and capital improvement projects undertaken by the City.

9.1 Design – Bid – Build

Design-bid-build is the traditional sequentially phased approach that involves contracting for design and architectural/engineering services. The Qualifications Based Selection (QBS Section 5.5) solicitation is used to select the architect/engineering firm. The construction solicitation (Bid Section 5.2 or RFP Section 5.3) is developed using the design documents. The selected general contractor purchases the materials and hires subcontractors, as needed, to construct and deliver the final product to the City.

9.2 Design Build

Design build process includes a primary relationship between the City and a General Contractor or a joint venture with a contractor and design team. A Qualifications Based Selection (QBS Section 5.5) solicitation is issued to identify the best contractor or team. The Design Build process may save time in the project time as work can begin before the last stages of the building design are complete. Project cost may also be controlled or even reduced through use of the design-build process.

9.3 Construction Manager (CM)

A Construction Manager is hired to oversee the construction of the project. The selection is made about the same time as or following selection of the designer. The CM is able to work with the designer to monitor the budget and schedule prior to releasing the bids for construction. A Request for Proposals (RFP Section 5.3) solicitation is issued to identify the best construction manager based on qualifications and price. Bids (Bids Section 5.2) are issued for each phase or trade for the project. Contracts are awarded between the City and the contractor. The Construction Manager oversees the construction work on behalf of the City.

9.4 Construction Manager at Risk (CMR)

Construction Manager at Risk is a construction contracting method in which the City enters into separate contracts with the designer and builder, often about the same time so that both parties can collaborate. Selection of the CMR is done based on qualifications and price using a Request for Proposals (RFP Section 5.3). The CMR offers a Guaranteed Maximum Price (GMP) instead of a fixed bid. The GMP serves as a ceiling which decreases (in theory) as the design is refined. The CMR is responsible and accepts risk for constructing the entire project for the GMP and the contractor is responsible for assembling the team of suppliers and subcontracts to deliver the project.

9.5 Engineering, Procurement, Construction (EPC)

Engineering, Procurement, Construction, also known as EPC, is a prominent form of contracting agreement in the construction industry. The engineering and construction contractor will carry out the detailed engineering design of the project, procure all the equipment and materials necessary, and then construct to deliver a functioning facility or asset to the City. A Qualifications Based Selection (QBS Section 5.5) shall be used to select the best firm qualified to engineer the project. The selected firm will use public bidding to purchase materials and award contracts to subcontractors.

SECTION 10. REAL PROPERTY PROCESSES

10.1 Sale or Lease of Real Property.

- a. Sale or lease of real property owned by the City and any contracts pursuant hereto shall be subject to approval by the City Council.
- b. Prior to City staff actively marketing real property for sale or lease, the City Manager shall seek approval from the City Council must designate the property surplus and eligible for disposition.

10.2 Acquisition of Interests in Rights-of-Ways and Easements.

- a. Definitions applicable to this article :
 1. *Settlement Amount* - the amount to be paid by the City in consideration of receiving a property interest from a property owner.
 2. *Appraised Value* - the fair market value of the subject property as determined by a licensed appraiser selected by the City and may include replacement and/or relocation costs of amenities or facilities located within the real estate tract to be acquired.
 3. *Excess Amount* – the difference between the Settlement Amount and the Appraised Value. Excess amount may include negotiated expenses to replace property amenities lost with sale of the easement, such as fencing, sprinkler system, or landscaping.
 4. *Property* – legal interests in real estate acquired for public purposes.

- b. Staff is authorized to acquire property administratively, without City Council approval, when the following conditions are met:
 - 1. The property is needed in order to proceed with a project that is part of the Capital Improvement Program that has been approved by the City Council; and,
 - 2. Funding for said project has been included in the current capital or annual budget approved by the City Council.
- c. Administrative Procedures for Acquisition
 - 1. If the proposed Settlement Amount is equal to or less than the Appraised Value, the City Manager or designee may approve the acquisition of the property, regardless of amount.
 - 2. If the Excess Amount is less than or equal to \$25,000.00, the City Manager or designee may approve the acquisition of the property.
 - 3. All other proposed acquisitions must be presented to the City Council for approval.
- d. The City Manager, Mayor or designee is authorized to execute all documents necessary to carry out the intent of this policy.
- e. All deeds, agreements and other documents used for an acquisition under this policy shall be approved by the City's Law Department.

10.3 Purchase of Real Property-Fee Simple:

- a. The purchase of real property in fee simple shall not be subject to the solicitation requirements set forth herein.
- b. The purchase of real property in fee simple in the amount of \$50,000.00 or more shall be subject to City Council approval.

SECTION 11. PURCHASE ORDER

- 11.1 Absent extenuating circumstances, staff shall process a purchase order prior to making a purchase on behalf of the City.
- 11.2 A requisition shall be entered into the City's ERP system and approved by the Department prior to a purchase order being issued by Procurement and Contract Services. Procurement and Contract Services will review and generate a Purchase Order document from the approved requisition information.
- 11.3 An inverted purchase order is a type of purchase order issued for multiple contract items that will be purchased, received, and invoiced over a period of time. The inverted purchase order will remain open with "draws" or invoices paid from said purchase order. Inverted purchase orders should only be issued after consulting with Procurement and Contract Services and Finance to make sure that its utilization will meet all of the needs of the requestor.

SECTION 12. RECEIVING, DELIVERY, FREIGHT and PRODUCT TESTING

12.1 Delivery and Receipt of Goods and Services. The City of Lee's Summit uses decentralized receiving. Departments are responsible for receiving goods and services they have ordered. Their physical signature or electronic signature in the ERP system indicates they have accepted the item or service. Departments via their representative(s) are required to inspect the delivery, within one or two business days of delivery or per the terms of the contract, and make note if there is any damage, deficiency, missing items or other inaccuracy. Any issues shall be reconciled with the supplier immediately. When items are delivered to Departments, the only paperwork to be signed is the delivery notice. Any other vendor/supplier purchase order, document, contract, warranty, maintenance agreement, etc. are NOT to be signed at delivery.

12.2 Freight/Shipping on Orders. The City shall, absent extenuating circumstances, use F.O.B. Destination as its primary freight or shipping designation.

12.3 Product Testing/Demonstrations. Product demonstrations may be held as deemed appropriate without prior approval of Procurement and Contract Services. In no event shall the retention of a test item by the City be evidence of intent to purchase said item.

SECTION 13. PROTESTS

This procedure provides bidders/offerors with the opportunity to communicate concerns with any solicitation or award. It is not intended to create any legal right, cause of action, property interest or independent means of redress that does not otherwise exist under applicable law. It shall not serve to abrogate or effect the City's exclusive right to determine the lowest and best responsive bidder or best value in any solicitation process. Any correspondence that involves or may involve legal representation shall be forwarded to and handled by the City's Law Department.

13.1 Right to Protest. Any actual or prospective bidder who is aggrieved in connection with the solicitation or award of a contract may protest the process. The protest shall be submitted in writing to the City Clerk and Procurement and Contract Services Manager within 48 hours after such aggrieved person knows or should have known of the facts giving rise thereto. The protest shall identify specific the issue(s) that are being protested and the facts that the protestor believes support the claim. It is the protestor's responsibility to establish his/her case.

13.2 Review of Protest. The Procurement and Contract Services Manager or his/her designee shall have the authority to resolve a protest of an aggrieved bidder concerning the solicitation or award of a contract.

13.3 Decision/Notice of Decision. The Procurement and Contract Services Manager or his/her designee shall issue a decision in writing within three (3) business days of actual receipt of the protest. The decision shall state the reasons for the action taken. A copy of the decision shall be mailed or otherwise furnished immediately to the protestor.

13.4 Appeal. A protestor may appeal the decision by submitting a written appeal to the City Manager within five (5) business days of the date of the Procurement and Contract Services Manager's or designee's decision. The written appeal shall state specifically the facts supporting the protestor's position. The appeal shall be reviewed by the City Manager or designee, who will issue a decision in writing within five (5) business days of receipt of the protestor's timely filed written appeal.

13.5 Finality of Decision. The Procurement and Contract Services Manager's decision shall be considered final and is not subject to appeal or further consideration unless a timely appeal is filed. In the event of a timely appeal, the decision of the City Manager, or designee, shall be considered final and not subject to appeal or further consideration.

13.6 Stay of Procurements during Protest. In the event of a timely protest, the Procurement and Contract Services Manager or his/her designee, shall determine, based on facts and circumstances of the protest whether the solicitation process should proceed or be stayed pending the outcome of the protest.

SECTION 14. DISPUTES

14.1 Disputes with Vendors under Contract. City staff involved in the disputed procurement shall notify Procurement and Contract Services or the Project Manager concerning any complaint or dispute regarding an order, delivery, specification, defective supplies or poor performance by a supplier. Any decision concerning an attempt to cancel a contract or an attempt to resolve a dispute regarding defective products or unacceptable services shall be made jointly by Procurement and Contract Services and the Department conducting the solicitation. Correspondence with suppliers regarding disputes shall be conducted via Procurement and Contract Services.

14.2 Disputes with Vendors not under Contract. City Department Staff involved in a disputed procurement should document the issue: vendor, date, issue, vendor's response to the issue. Department Staff should reach out to the

vendor and give the vendor an opportunity to provide a resolution; trying to resolve the issue without involving other parties. If the vendor does not respond, Staff should reach out to Procurement and Contract Services for assistance.

SECTION 15. DISPOSAL OF PROPERTY (OTHER THAN REAL PROPERTY)

Department designated representative determines property (other than real property) is no longer needed and sends written notification with detailed information of surplus items to the Procurement and Contract Services Manager or designee. The Procurement and Contract Services Manager or designee will determine the best method for disposal. Once a disposal method is determined the Procurement and Contract Services Manager or designated representative will coordinate the process. The following methods will be used for disposal of surplus property:

- Sell by requesting sealed bids.
- Trade-in as part of a bidding process.
- Sell through electronic auctioning process.
- For perishable food items and other items with a combined value of less than \$500.00, donate to a not-for-profit with a valid 501 (c)(3)
- De minimis items may be disposed of in a reasonable manner.

SECTION 16. PROCUREMENT POLICY REVIEW

The Procurement Policy shall be reviewed no less than every three years to ensure that the policy is current with any and all applicable local, state and federal laws as well as City processes and procedures. Any proposed revision(s) shall be discussed with a Procurement Policy Committee that shall be derived from representative(s) from City departments. Those revisions deemed necessary to implement shall be presented to the Finance and Budget Committee for approval and recommendation to the City Council for approval and adoption.