



CITY OF SANDERSVILLE

CITY OF SANDERSVILLE, GEORGIA PURCHASING AND PROCUREMENT POLICY July 15, 2024

This Revised Purchasing and Procurement Policy was adopted by Resolution of the Sandersville City Council on Monday, July 15, 2024. This policy supersedes any and all purchasing and procurement policies previously in effect.

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PURPOSE

The purpose of this policy is to set uniform guidelines for the purchase or lease of supplies, materials, equipment, and services by all staff and to ensure that transactions are completed in a transparent manner. The City shall apply this policy to all expenditures by a public agent irrespective of the source of the funds. When the procurement involves the expenditure of state or federal assistance or contract fund, the procurement shall be conducted in accordance with any mandatory applicable state or federal law and regulations. The purchasing levels in this policy are subject to periodic review and may be changed with City Council approval based on inflation and other factors.

USE OF POLICY

This policy and the award of bid provisions herein are solely for the fiscal responsibility and benefit of the City of Sandersville, and confer no rights, duties or entitlements to any bidders or proposers.

DEFINITIONS

Capital Asset - Property, including durable goods, equipment, buildings, installations, and land valued at \$5,000 or more, and having a useful life greater than one year.

Capital Improvement Projects – Any project to build, alter, repair, maintain or replace necessary public buildings, streets and alleys, public parks and facilities, municipal utilities, sidewalks, highways, parks or public grounds. Capital Improvement Projects are included in the City’s five-year capital improvement plan.

Capital Outlay – Expenditures which result in the acquisition of or addition to capital assets (\$5,000 or more).

Competitive Bid Process – Term used to encompass bidding, request for proposals, or request for qualifications when trying to get the best price or contractor for a project, including bidding the project to any and all interested Vendors.

Cost of Operations – Expenditures categorized as wages, benefits, supplies or contractual services; non-capital.

Emergency conditions - A situation in which any department’s operations may be severely hampered or a situation in which the preservation of life, health, safety or property may be at risk as determined by the Department Director and the City Manager.

Encumbrances – An amount of money committed by purchase order but not yet expended for the purchase of a specific good or service.

E-Verify- is a web-based system that allows the City and contractors to determine the eligibility of their newly hired employees to work in the United States.

Expenditures – Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

Independent Contractor – any person having a contract with the City for specific work as defined in the contract’s scope of work.

Invitation to Bid – A bidding process requesting bids submitted based on specifications for certain work included in the invitation.

Over Budget Expenditures - Expenditures which have exceeded the total amount of budget by line item, department, or fund.

Professional Services – Those services within the scope of the practice of architecture, engineering, professional land surveying, industrial hygiene, legal counsel, financial advisers, accountants/auditors, business consultants, recruiters, lobbyists, and banks.

Purchase Order – A document which authorizes the delivery of specified merchandise or the rendering of services at an authorized cost.

Request for Proposals – An invitation for suppliers, companies, or individuals, through a competitive process, to submit a proposal on a specific commodity or service.

Request for Qualifications – An invitation for suppliers, companies, or individuals to identify and delineate their qualifications for a specific project.

Retainage – A portion or percentage of payments due for work completed on a contract that is held back until the entire job (or some lesser defined portion thereof) is completed satisfactorily.

SAVE- is the federal Systematic Alien Verification for Entitlement Program that is used to verify the eligibility of anyone applying to the City for a public benefit, which includes contracts.

Services – The furnishing of a contractor's labor, time or effort not involving the delivery of a specific end product other than reports which are merely incidental to the required performance. The term does not include professional services as previously defined.

Sole Source Purchase – is a procurement method that allows, under certain conditions, for procuring goods or services from a single source without soliciting bids from multiple sources.

Surplus Property – Materials and equipment which are no longer necessary to City operations, are obsolete, or are deemed excessively expensive to maintain.

Unbudgeted expenditures – Expenditures for which no funds have been budgeted.

Written Bid Process – Term used to encompass bidding, request for proposals, or request for qualifications when trying to get the best price or contractor for a project.

1. PURCHASING LEVELS

	< \$2,500.00	\$2,500.00 - \$9,999.99	\$10,000.00 - \$49,999.99	\$50,000 & > all purchases
Bid/ Proposals & Forms	No Purchase Order is necessary; can use procurement card (p-card) or City's vendor account for transaction and turn in receipt or invoice	<ol style="list-style-type: none"> 1. Purchase Order 2. State Contract Purchase or minimum of three (3) written bids/quotes/proposals 3. Purchase agreement approved by Department Director 	<ol style="list-style-type: none"> 1. State Contract Purchase or minimum of three (3) written bids/quotes/proposals 2. Contract as appropriate approved by City Manager 3. Purchase Order 	<ol style="list-style-type: none"> 1. Competitive Sealed Bid Process or as otherwise defined 2. Contract approved by City Manager & City Council 3. Purchase Order 4. City Manager notifies City Council of expenditure approval.
			City Council approval required if project not in the annual budget except as provided for below.	
Approvals	Department Supervisor	Department Director	Department Director & City Manager	Department Director, City Manager & City Council
Amendments & Change Orders			Increases greater than 5% or \$2,500 (excluding any contingency) require additional approval	

2. GENERAL INFORMATION

1. All bids/quotes/proposals are public information and can subject to the provisions of the Georgia Open Records Act.
2. Retain all bids/quotes/proposals for a minimum as required by retention schedule. The Purchasing Agent should retain the original of all competitive sealed bids/proposals/qualifications as required by the retention schedule.
3. One original signed contract must be submitted to the City Clerk for the record.
4. Projects and purchases shall not be divided in order to avoid higher approval level.
5. Purchases up \$2,500 shall **not** require a City purchase order but shall require the approval of the relevant Department Director and coded with the corresponding expenditure charge account number. These purchases can be handled in the most effective way deemed appropriate by the Department Head. Alternative price quotations are strongly encouraged but are not mandatory.

6. Procurement Card (P-Card) purchase receipts or invoices must be submitted in accordance with the *City of Sandersville Procurement Card Policy*.
7. Supplies required for the operation of municipal offices and departments shall be purchased as required. If purchase charged to City's vendor account with no payment at time of purchase, an invoice shall be turned in to the Finance Department to be processed by accounts payable. Procurement cardholder should not return and make any payment on City's account to prevent duplicate payments to the Vendor.
8. All services work of \$2,499.99 or more requires from the Vendor an E-Verify Contractor's Affidavit or SAVE document, completed, signed and notarized, with the original sent to Purchasing (See *Appendix A and B*).
9. The City Manager is authorized to manage and approve unbudgeted purchases from the City's non-capital accounts so long as purchases do not result in a deficit balance.
10. Unbudgeted Capital purchases of any amount shall require a purchase order and must have Council approval regardless of cost excepted as provided for below:

The City Manager shall have the authority to approve unbudgeted capital expenditures or capital expenditures that exceed the line-item budget up to \$2,500 so long as the funds can be covered by cost savings on another purchase. Any unbudgeted capital purchases must be authorized by the City Manager and must be presented to the City Council for approval.
11. All purchases shall demonstrate a reasonable and good faith effort to obtain goods and services at the lowest possible cost consistent with the quality and service needed to maintain efficient operations of the City. Within these parameters, it is expected that purchases of goods and services will be made from local suppliers. It is understood that there may be a premium on the cost of purchasing local and Department Heads must use their administrative discretion to make the appropriate purchase.
12. The City shall ensure that awards are not made to any party which is debarred or suspended, or is otherwise excluded from or ineligible for participation in federal assistance programs when federal funds are utilized for a project.
13. The City maintains the right to reject any and all bid proposals and act in the best interest of the City.
14. It is the responsibility of the employee using the any City funds to make all efforts to use the City's tax-exempt form or number and present it at the time of purchase. Sales tax on purchases will not be paid or reimbursed. Employees who fail to ensure that sales tax is

not applied will be responsible for having the vendor remove and/or reimburse the sales tax.

3. PETTY CASH REQUISITIONS

3.1 PETTY CASH REQUISITIONS

The petty cash fund may be used to pay for small obligations which do not exceed \$50.00. Petty cash receipts are submitted to the Finance Director or Accounting Coordinator and will be honored only with appropriate departmental supervisor/department head approval. Petty cash requisitions will be granted under the following circumstances:

- An employee is requesting a cash advance for expenditures relating to City business and the employee is not a procurement card or credit card holder (sales receipt must be returned to the Finance Director or Accounting Coordinator within two business days);
- An employee is requesting a reimbursement for expenditures relating to City business and the employee is not a procurement card or credit card holder (sales receipts must be attached to the requisition).

4. PURCHASE ORDERS

A Purchase Order serves to inform the Department Director and City Manager of the needs of the departments, correctly identifies a material or service requested for the department's operations, and identifies the expenditure account number to which the purchase is to be charged.

Purchase Order shall be used to initiate the purchase of all materials or services. Purchase Orders will be granted under the following circumstances:

- The requesting department shall be responsible for ensuring budget availability, obtaining prices, designating Vendors, and preparing Purchase Order far enough in advance of the required date;
- All purchase orders must be approved by the Department Director if \$2,500 and over and if under \$10,000;
- All purchase orders must be approved by the Department Director and the City Manager if over \$10,000;
- A purchase order number must be obtained prior to placing orders with Vendors.

4.1 PURCHASE ORDER PROCEDURE

1. The Department Director or other authorized personnel will enter the requisition for the purchase order or purchase order request into software with all the required information as detailed in *Bidding* section and with the council approval date if needed.

2. The City Manager will review all purchase order requests based on approval thresholds and confirm the purchasing procedures were followed before approving the requisition or purchase order request.
3. The Purchasing Agent or Finance Director or designee will issue the purchase order and email to Department Director.
4. The Department Director or authorized personnel will send purchase order to Vendor.
5. When invoice is received, the Department Director is responsible for ensuring the purchase order number is on the invoice and signing invoice. If the company failed to include it, the Department Director must write the P.O. number on the invoice before submitting to Finance Department.
6. Invoices that are P.O. exempt must be submitted with an explanation as to why it is P.O. exempt. If the Finance Department is unsure of exempt status, the invoice will be submitted to City Manager for review and approval.
7. When a Department Head submits the final invoice for a P.O., the Department Head must notify the Purchasing Agent and Accounting Coordinator that the P.O. is complete if the invoice total(s) is less than the approved P.O. amount exactly.
8. If a purchase/project exceeds the approved purchase request the Department Director must submitted a written request with an explanation as to why the amount exceeds the P.O. to the City Manager for approval, who will then notify the Finance Director of any approved change. See *Purchase Orders Amendment* Section below.

A standard purchase order is to be used for all purchases excluding the following areas.

4.2 EXEMPT ITEMS

1. Council Approved Service Contracts;
2. Debt Service or Debt Payments;
3. Grants, Contributions, and Intergovernmental Agreement Obligations;
4. Insurance;
5. Investment Transactions;
6. Land Acquisition;
7. Lease Payments;
8. Maintenance and Support Licensing Agreements (associated with an approved contract);
9. Major capital projects, such as building demolition or road reconstruction, which are approved via contract by the City Council. This exception does not apply to equipment purchases.
10. Membership or association fees;
11. Payroll and related expenses such as checks, taxes, mandatory income withholding, pension payments, insurance payments and deductions (child support, garnishments, etc.);
12. Professional Services as defined and professional contracted services such as legal, architectural, auditing, maintenance contracts, or janitorial services. All professional contracted services, with the exception of auditing services, must have prior approval of the City Council, no matter the amount of the contract; and

13. Utility expenditures or expenses such as electricity, natural gas, and telephone services.

The City Manager may authorize purchases as P.O. exempt if when not clearly meeting one of these exceptions so long as the exception follows the general intent of this policy.

4.3 PURCHASE ORDER AMENDMENTS

The Finance Director or Accounting Coordinator has the authority to pay an invoice that exceeds the purchase order by less than 3% or \$500 (whichever is less).

When the actual expenditure exceeds the purchase order amount by 5% or \$2,500 (whichever is less) the Department Director must submit a written request with an explanation as to why the amount exceeds the P.O. to the City Manager for approval, who will then notify the Finance Director of any approved change.

5. BIDDING

Bidding procedures are used to provide Vendors the opportunity to bid, to elicit greater Vendor response, to meet City Charter and City Code requirements, to meet Georgia and Federal statutory requirements applicable to the City, and to promote competitive prices from Vendors for the purchase of capital equipment and other items of significant monetary value. Department Directors reserve the right to call for competitive bids without regard to amount. As used herein, “bidding” shall include requests for bids, requests for proposals, requests for qualifications, and/or statements of qualifications. The responsible Department Director or City Manager shall determine when bidding procedures shall utilize a request for bids, request for proposals, or request for qualifications, as appropriate.

Departments shall utilize competitive bidding procedures as specified in Section 5.2 of this policy, unless otherwise required by the City Charter, City Code or state statute applicable to the City. Exemptions to this policy are bids obtained through the specific processes listed below in *State and Other Allowed Bids* and *Sole Source Purchases*.

5.1 TYPES OF BIDS

5.1.1 INFORMAL BIDS/QUOTES/PROPOSALS FOR PROJECTS UNDER \$50,000

All purchases within the financial parameters of \$2,500 to \$50,000 shall require informal bidding procedures.

- For purchases between \$2,500 to \$9,999.99 the requesting department shall obtain and document a minimum of three (3) written quotations submitted in writing. Exceptions to the requirement can be made for sole source purchases, standardized equipment or chemicals, or other similar circumstances, or the inability to obtain three quotations. If three (3) quotations are not obtained, valid justification must be provided with the Purchase Order and approved by the Department Director;
- For purchases between \$10,000 and \$49,999.99 the requesting department shall use the State contract or are required to have at least three (3) price quotations in

writing. Exceptions to the requirement can be made for sole source purchases, standardized equipment or chemicals, or other similar circumstances, or the inability to obtain three quotations. Such purchases must be submitted to the City Manager for approval in the form of a purchase order and memo that details the description of the purchase, the budget amount, alternate price quotations or explanation for not seeking and/or obtaining them, and explanation of recommendation if it is other than the lowest price.

- Notwithstanding the above requirements, Department Directors or the City Manager may require a competitive bid process for any project regardless of the amount.

5.1.2 STEPS TO COMPLETE AN INFORMAL BID/QUOTE/PROPOSAL OVER \$10,000: (unless otherwise stated, the responsibility for these steps falls on the requesting department)

- a) Develop specifications/information. Upon finalization of the specifications, prepare any documents required by the informal bid;
- b) Email or mail a copy of specifications to identified Vendors;
- c) Use the RFP process if Department Director determines it appropriate for the project;
- d) Post a copy of specifications/RFP to the City's official website and send to any other appropriate websites if Department Director determines it appropriate for the project;
- e) Evaluate the bid/proposal results and determine which bid/proposal serves the City's best interests;
- f) Use the City-approved bid form (Appendix C);
- g) Submit the quotes to the Finance Director and City Manager. If the recommended Vendor has not submitted the low bid, ensure that there is adequate justification for the higher bid;
- h) The Purchasing Agent issues the Purchase Order or in their absence Finance Director or Accounting Coordinator issues a Purchase Order.

5.2 COMPETITIVE SEALED BIDS FOR PROJECTS OVER \$50,000

“Competitive/formal bidding” includes invitations to bid (RFB), requests for proposals (RFP), requests for qualifications (RFQ), and statements of qualifications (SOQ). Purchases, such as major outlay purchases, shall be subject to competitive bidding and thorough departmental review. The department requesting purchase of these items shall make the request based on specifications. The relevant Department Head, along with the respective City Manager and City Council, if required, will determine which bid will be most advantageous to the City.

- All requests for competitive bids shall be published at least once in the official newspaper of general circulation in the City. The last publication shall not be more

than thirty (30) days or fewer than fourteen (14) days prior to the date set for the opening of bids. Such notice may also be published in other publications of limited circulation or trade journals. In addition to publication, the formal bid must be posted on the City's website, the Georgia Procurement Registry (GPR) as required by law, and may be posted on other websites. The Georgia Procurement Registry may be used to advertise any competitive sealed bid regardless of cost but must be used in accordance with State Law (HB 322) for any procurement valued at \$100,000 or more.

- Notices, general instructions, conditions and specifications are not required to be published and may be mailed or emailed to identified Vendors, and may be posted on the City's website.
- Professional services contracts should be selected through a competitive process or thorough departmental review. Architectural and engineering services contracts exceeding \$100,000 must be selected through a Request for Qualifications (RFQ) or a Request for Proposals (RFP) process. Other professional services contracts exceeding \$35,000, excluding auditing and accounting services contracts, must be selected through a Request for Proposals (RFP) process. All RFPs and RFQs exceeding \$35,000 must be published in the City's official newspaper and on the City of Sandersville's website. ALL professional services contracts, with the exception of auditing services, must be approved by the City Manager and City Council, regardless of the amount of the contract.
- Public Works Projects exceeding the Georgia Statutory amount of \$100,000 will be bid in accord with the Public Works Construction Law (HB 1079). Specifications, and/or plans and bid documents, will be furnished to all requesting same. Notice of bid taking shall be published in the official newspaper and on the City of Sandersville's website and the Georgia Procurement Registry. All bids timely received will be opened and read at a pre-specified time and place open to the public. Bids will be received and recommendation thereon will be made to the respective department and City Council. The contract will be awarded to the most responsible and responsive bidder submitting lowest bid.

5.2.1 STEPS TO COMPLETE A COMPETITIVE SEALED BID

(unless otherwise stated, the responsibility for completing these steps falls on the requesting department, the Purchasing Agent, and the Finance Director or designee)

- a) The Requesting Department Director or designee or City Manager develops specifications. Upon finalization of the specifications, determine any special requirements, such as bid, performance and payment bonds; insurance; retainage; and any special requirements the requesting department may need. See *Bonding and Insurance Requirements* listed below. Once specifications are complete, the Requesting Department Director or designee submits to Purchasing Agent;
- b) The Requesting Department Director or designee prepares all bid documents required by the formal bid and public notice. The Purchasing Agent along with

the Finance Director review all bid documents required by the formal bid and public notice. All bid documents are subject to the provisions of the Georgia Open Records Act. Bid documents shall contain the following information:

- Where the bidder can obtain bid documents;
 - Any costs of bid documents;
 - Bid submittal deadline;
 - Date, time and location of bid openings;
 - Any bond or insurance requirements;
 - Any special requirements;
 - A statement to the effect that the City reserves the right to reject any and all bids, and to accept the bid deemed to be the lowest cost and a reliable and responsible bidder;
 - General conditions;
 - Minimum specifications;
 - Bid proposal form;
 - W-9 Form;
 - E-Verify Contractor Affidavit (if applicable);
 - SAVE Affidavit (if applicable);
 - Occupational Tax Certificate;
 - Delivery date or completion date;
 - Period of bid validity; and
 - Bidder/proposer must sign the Prohibition Against Employing Illegal Aliens at the time of submitting the bid and verify that bidder/proposer is lawfully present in the United States, if applicable.
- c) Departments will be responsible for obtaining at least three (3) bids/proposals if available. If three (3) bids/proposals are not obtained, valid justification must be provided and approved by the City Manager;
- d) The RFB may be mailed or emailed to identified Vendors and shall be posted on the City's website, City's bulletin board, the local newspaper, and the Georgia Procurement Registry (if applicable);
- e) Purchasing Agent and Finance Director or designee will conduct the public bid opening per the advertised bid opening date (if required). Any bids received after the specified time will be date stamped with time received and filed unopened;
- f) The Department Director and City Manager or designee will evaluate the bid

results and determine which bid serves the City's best interests. If the recommended Vendor has not submitted the low bid, provide justification for the higher bid;

- g) Reports:
 - If over \$50,000 (or a project that is not in the approved annual budget), advise the City Manager and the City Clerk's Office that the item needs to go on the City Council agenda and prepare a City Council item listing the preferred Vendor and justification.
- h) Use City Attorney approved contracts and insurance and bond requirements;
- i) Upon the City Manager's/City Council's award of bid, notify all bidders of the results;
- j) City Clerk or designee obtains signatures on all approved contracts;
- k) Department Director enters requisition for Purchase Order and forwards to the Finance Department;
- l) Purchasing Agent issues a Purchase Order or in their absence Finance Director or Accounting Coordinator issues a Purchase Order.

5.2.2 STEPS TO COMPLETE A REQUEST FOR PROPOSAL

(unless otherwise stated, the responsibility for completing these steps falls on the requesting department, the Purchasing Agent, and Finance Director or designee)

- a) The Requesting Department Director or designee or City Manager develops project information, determine any special requirements, such as performance and payment bonds; insurance; retainage; and any special requirements the requesting department may need. See *Bonding and Insurance Requirements* listed below. Once project information is complete, the Requesting Department Director or designee submits to Purchasing Agent;
- b) The Requesting Department Director or designee prepares the request for proposal. The Purchasing Agent along with the Finance Director review all proposal documents required by the formal proposal and public notice. All documents are subject to the provisions of the Georgia Open Records Act. Request for Proposals shall contain the following information:
 - Where the bidder can obtain information;
 - Proposal submittal deadline;
 - Date, time and location of RFP openings (only a list of the proposals will be made available until such time as all proposals can be evaluated);
 - Any bond or insurance requirement;
 - Any special requirements;
 - A statement to the effect that the City reserves the right to reject

any and all proposals, and to accept the proposal deemed to be the lowest cost and a reliable and responsible proposal;

- General conditions;
 - Minimum specifications;
 - Bid proposal form (if there is one);
 - W-9 Form;
 - E-Verify Contractor Affidavit (if applicable);
 - SAVE Affidavit (if applicable);
 - Delivery date or completion date;
 - Period of bid validity; and
 - Bidder/proposer must sign the Prohibition Against Employing Illegal Aliens at the time of submitting the bid and verify that bidder/proposer is lawfully present in the United States, if applicable.
- c) Departments will be responsible for obtaining at least three (3) proposals if available. If three (3) proposals are not obtained, valid justification must be provided and approved by the City Manager.
- d) The RFP may be mailed or emailed to identified Vendors and shall be posted on the City's website, City's bulletin board, the local newspaper and the Georgia Procurement Registry (if applicable);
- e) The Department Director and City Manager or designee will evaluate the proposals and determine which proposal serves the City's best interests;
- f) Use City Attorney approved contracts and insurance and bond requirements;
- g) Upon the City Manager's/City Council's award of contract, notify all proposers of the results;
- h) City Clerk or designee obtain signatures on all contracts;
- i) Department Director enters requisition for Purchase Order and forwards to the Finance Department;
- j) Purchasing Agent issues a Purchase Order or in their absence Finance Director or Accounting Coordinator issues a Purchase Order.

5.2.3 STEPS TO COMPLETE A REQUEST FOR QUALIFICATIONS

(unless otherwise stated, the responsibility for completing these steps falls on the requesting department, the Purchasing Agent, and Finance Director or designee).

- a) The Requesting Department Director or designee or City Manager develops minimum qualifications for project. Upon finalization of the specifications, determine any special requirements the Vendor must have. See *Bonding and*

Insurance Requirements listed below. Once project information is complete, the Requesting Department Director or designee submits to the Purchasing Agent;

- b) The RFQ may be mailed or emailed to identified Vendors and shall be posted on the City's website, City's bulletin board, the local newspaper and the Georgia Procurement Registry (if applicable);
- c) The Requesting Department Director or City Manager prepares the request for qualifications. The Purchasing Agent along with the Finance Director review all of the qualifications documents required. All documents received in response to the RFQ become public information upon completion of the RFQ, except that the City may determine not to disclose trade secrets or other confidential commercial, financial or personal information;
- d) Once all RFQ's are evaluated and the list of qualified Vendors is determined, a bid request or RFQ for the specific project can be prepared and the above steps shall be followed with those specific Vendors.

5.3 BONDING REQUIREMENT

Bonds shall be executed on forms prescribed or approved by the City Manager based on review by the City Attorney, as to form, and State of Georgia law. Normally, bonding should be used only on critical or complex purchasing actions. The City may declare the purchasing of any items of commerce and services to be exempt from bonding requirements or to reduce bonding requirements, based on City Attorney's recommendation.

5.3.1 EXAMPLES OF BONDS

BID BONDS: The bid bond requirement may be satisfied by receipt of a certified bank check or an irrevocable letter of credit. The bid security is submitted as guarantee that the bid will be maintained in full force and effect for a period of thirty (30) calendar days after the opening of bids or as specified in the solicitation documents. If the supplier/contractor fails to provide the bid security with the bid, the bid shall be deemed non-responsive. The bid bond shall be at least 10% of the Vendor's bid price if the bid is over \$150,000 and at least 5% of the Vendor's bid if under \$150,000.

PERFORMANCE BONDS: A performance bond, satisfactory to the City, may be required for any contract and will be used for all contracts for public buildings, works or improvements awarded in excess of \$50,000. The performance bond shall be in amount equal to one hundred percent (100%) of the price specified in the contract, or any other higher amount determined by the purchasing department to be in the best interest of the City.

PAYMENT BONDS: A payment bond for the protection of all persons supplying labor and material to the contractor or its subcontractors may be required for all contracts awarded in excess of \$50,000. The payment bond shall be in an amount equal to one hundred percent (100%) of the price specified in the contract, or any other higher

amount determined by the purchasing department to be in the best interest of the City.

5.4 INSURANCE REQUIREMENT

All contractors are required to provide certificates of insurance with the City named as additional insured, for the following insurance coverages and amounts (except as waived by the City Manager and/or City Attorney):

Comprehensive General Liability

Bodily injury, including death

\$1,000,000 per person

\$1,000,000 each occurrence

Property Damage

\$1,000,000 each occurrence

\$2,000,000 general aggregate

Comprehensive Automobile Liability

\$1,000,000 – bodily injury, including death & property damage/per person

\$2,000,000 – bodily injury, including death & property damage/two or more persons in any one occurrence

Workers' Compensation

Statutory limits and in full compliance with Workmen's Compensation laws of Georgia, or, if not subject to Georgia Workmen's Compensation Laws, the Federal Workmen's Compensation Laws.

Employers' Liability Insurance

\$100,000/ each accident

\$500,000/ disease - policy limit

\$100,000/ disease - each employee

Professional Liability (for licensed professional services)

\$1,000,000 each occurrence

\$2,000,000 general aggregate

5.5 BIDDER LIST AND BID EVALUATION

A Bidder's List may be established and maintained by individual Departments in an effort to promote competitive bidding from qualified Vendors and to establish a source of supplier.

In addition to the bid amount, additional factors will be considered as an integral part of the

bid evaluation process, including, but not limited to:

- The bidder’s ability, capacity and skill to perform within the specified time limits;
- The bidder’s experience, reputation, efficiency, judgment, and integrity;
- The quality, availability, and adaptability of the supplies or materials bid;
- Bidder’s past performance;
- Sufficiency of bidder’s financial resources to fulfill the contract;
- Bidder’s ability to provide future maintenance or service;
- Other applicable factors as the City determines necessary or appropriate (such as compatibility with existing facilities, equipment or hardware);
- If a bid other than low bid is recommended, the requesting department must demonstrate how the higher bid serves the best interests of the City.

5.6 ANNUAL CONTRACTS

All service contracts must specifically state the term of the contract and the options for renewing the contract (if applicable) beyond the original term. In no case shall any service contract have an indefinite term. Contracts should begin and end within the current fiscal year. It must also be expressly stated in any multi-year service contract—which is any contract with a term extending beyond the current fiscal year—that all financial obligations of the City beyond the current fiscal year are subject to annual appropriation. Standard language for this purpose is as follows: “Contractor acknowledges that any potential expenditure for this Agreement outside the current fiscal year is contingent upon appropriation, budgeting, and availability of specific funds for such proposed expenditure, and nothing in this Agreement constitutes a debt or direct or indirect multiple fiscal year financial obligation of the City.”

6. SOLE SOURCE PURCHASES, LOCAL VENDOR PURCHASES AND ETHICS

6.1 SOLE SOURCE PURCHASES

It is the policy of the City of Sandersville to recognize and solicit quotes. Sole source purchases may be made if it has been determined that there is only one good or service that can reasonably meet the need and there is only one Vendor who can provide the good or service. These purchases should be used if it is in the best interest of the City, and the following procedures shall apply:

6.1.1 PURCHASE IN THE AMOUNT OF \$10,000 OR MORE

Bidding procedures may be waived by the City Manager when it has been demonstrated that the requested goods or services are a sole source purchase. If the sole source purchase is not approved, the department shall obtain additional bids or

quotes in compliance with this Policy.

6.2 LOCAL VENDOR PREFERENCE

To encourage purchasing within the City of Sandersville it is the policy of the City of Sandersville to recognize and solicit quotes/bids from local Vendors. Whenever such local sources exist and are competitive, purchases shall be made from local Vendors; however, all purchasing ordinances and policies as well as any other City award factors still apply. To be considered within this policy, local Vendors must have a current valid business registration or sales tax license on file with the City of Sandersville.

As deemed appropriate solely within the discretion of the City, bids may be awarded to local Vendors providing the proposal or quote is within 5% or \$1,000 (whichever is less) of the lowest bid. The next preference would be given to bidders in the same county as the city, using the same criteria. Vendors which have an outstanding debt to the City of Sandersville are not eligible to bid on or submit proposals for projects or purchases.

In an event where it may be prohibited as a condition of any grant, or violation of law, the local Vendor preference shall not be applied.

6.3 ETHICS IN CITY CONTRACTING

City officers, employees and public body members may not have an interest in a contract with the City, unless the interest is disclosed and that person is recused from participating in the decision process. Further, city officers, employees or public body members with an interest in a contract may not attempt to influence any City employee or decision maker who has influence or decision-making power over the contract.

7. STATE AND OTHER ALLOWED BIDS

Federal, State and Other Cooperative Agreements

Federal, State, and County Government Contracts and Contracts negotiated by other governmental agencies can be used to the fullest benefit of the City of Sandersville. The Finance Director or their designee shall be authorized to enter into purchasing or contracting cooperatives with other governmental agencies inside or outside the State (O.C.G.A. § 36-69A).

Cooperative agreements are contracts for goods and services solicited by a public agency such as the state or federal government. Cooperative purchase agreements allow the City of Sandersville to purchase some goods and services without having to go through a competitive bid process. The use of volume purchasing via these type of agreements allows the City of Sandersville to take advantage of the prices, contract terms, and conditions resulting from cooperative purchases. The purchaser should use these contracts as a benchmark for pricing and specifications and use when Purchasing cannot add value or secure better pricing by bidding locally. Purchases under these contracts may be made without public advertisement

or competitive bidding as long as the contracts were originally competitively bid. Depending on dollar threshold, customary purchasing methods are followed. The agency or cooperative (such as U.S. Communities, State of Georgia, or Washington County, etc.) and the contract number must be included on the purchase requisition in the Internal Notes section.

Not all purchases can be made using cooperative purchase agreements. Some federal contracts restrict the use of cooperative purchase agreements from local or state governments. The Finance Department must help in researching whether or not a purchase can be made using a cooperative purchase agreement.

8. PURCHASING DURING EMERGENCY OR DISASTER CONDITIONS

An emergency shall be defined as a situation in which any department's operations may be severely hampered or a situation in which the preservation of life, health, safety or property may be at risk as determined by the City Manager.

The required purchasing procedures stipulated in the Purchasing Levels Section and other areas of this policy shall be waived for emergency purchases. A summary of all emergency purchases shall be prepared by the City Clerk and submitted for review by Mayor and City Council at the next City Council meeting possible.

When the need for an emergency purchase occurs during normal working hours, the department will request approval from the City Manager or their designee. If approved, the City Manager shall give verbal approval of the transaction followed by written approval to the requesting department and to the City Clerk, which may be required to complete the transaction for the requesting department. The user department will note the emergency on the check request form, sales ticket or invoice.

During a partial or full activation of the Washington County Emergency Operations Center (EOC) that requires the presence of a City Manager or representative on site, the approval authority as set forth in the Purchasing Levels Section is hereby revised to read as follows:

- Department Director – Approval of emergency purchase up to \$50,000.
- City Manager – Approval of emergency purchase up to \$100,000.

9. UNAUTHORIZED PURCHASES

Any unauthorized purchases will be considered a personal purchase and the individual who made the purchase may be personally liable for payment as well as subject to further disciplinary actions in accordance with the *City of Sandersville Personnel Policies & Procedures Manual*.

10. INTERNAL CONTROLS

1. Purchase orders are required for all purchases over \$2,500.00 and any unbudgeted capital purchases regardless of amount.
2. Appropriate documentation (supporting invoices) must be attached for all disbursements.

3. Original bills, not copies, must be used for documentation.
4. All invoices must have Department Director or designee approval prior to drawing the check.
5. The City Manager, or designee, shall verify Council approval when needed.
6. The Finance Director or designee shall review outstanding Purchase Orders a minimum of once every quarter and close any POs that are complete after conferring with the respective Department Director.
7. Every effort should be made to avoid finance or late charges.
8. Adequate security must be provided over unused checks.
9. Checks must not be signed prior to being completely filled out.
10. The Finance Director will review all processed checks before the checks are distributed.

11. RECEIVING PROCEDURES AND CHECK REQUESTS

11.1 RECEIVING PROCEDURES

- It shall be the responsibility of the receiving department/division to ensure that shipped goods are received as ordered and in good condition. Upon receipt of merchandise, check quantity, quality, and any specifications such as model number, etc. to ensure that the goods have been received as indicated on the packing slip and as ordered on the Purchase Order. Receiving documents (Packing Slip or Receipt of Goods Form) must be signed and dated by the employee receiving the goods;
- If the goods are faulty or damaged, notify the Vendor and Accounts Payable immediately. If damage is concealed or not noticed at time of delivery, retain all boxes and packing lists and notify Vendor immediately;

All invoices shall be mailed by the Vendor directly to the attention of Accounts Payable, P.O. Box 71, Sandersville, GA 31082.
- It shall be the responsibility of the receiving department/division to inform Accounts Payable of the delivery and acceptance of an order by submitting the receiving documents with the check request for payment.

12. APPENDICES

APPENDIX A – Contractor Affidavit under O.C.G.A. § 13-10-91(b)(1)

APPENDIX B – SAVE Affidavit – O.C.G.A. § 50-36-1(e)(2) Affidavit

APPENDIX C – Sample Bid Form

APPENDIX A: CONTRACTOR AFFIDAVIT under O.C.G.A § 13-10-91(b)(1)

Contractor Affidavit under O.C.G.A. § 13-10-91(b)(1)

By executing this affidavit, the undersigned contractor verifies its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm or corporation which is engaged in the physical performance of services on behalf of the City of Sandersville has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program, in accordance with the applicable provisions and deadlines established in O.C.G.A. § 13-10-91. Furthermore, the undersigned contractor will continue to use the federal work authorization program throughout the contract period and the undersigned contractor will contract for the physical performance of services in satisfaction of such contract only with subcontractors who present an affidavit to the contractor with the information required by O.C.G.A. § 13-10-91(b). Contractor hereby attests that its federal work authorization user identification number and date of authorization are as follows:

Federal Work Authorization User Identification Number (E-Verify #)

Date of Authorization

Name of Contractor

Name and date of project

City of Sandersville

Name of Public Employer

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, 20____ in _____ city, _____ state

Signature of Authorized Officer or Agent

Printed Name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE ME ON THIS THE _____ DAY OF _____, 20____.

NOTARY PUBLIC

My Commission Expires:

APPENDIX B: SAVE AFFIDAVIT – O.C.G.A. § 50-36-1(e)(2) Affidavit
O.C.G.A. § 50-36-1(e)(2) Affidavit

By executing this affidavit under oath, as an applicant for a(n) _____
[*type of public benefit*], as referenced in O.C.G.A. § 50-36-1, from the City of Sandersville, the undersigned applicant verifies one of the following with respect to my application for a public benefit.

- 1) _____ I am a United States citizen.
- 2) _____ I am a legal permanent resident of the United States.
- 3) _____ I am a qualified alien or non-immigrant under the Federal Immigration and Nationality Act with an alien number issued by the Department of Homeland Security or other federal immigration agency.

My alien number issued by the Department of Homeland Security or other federal immigration agency is: _____.

The undersigned applicant also hereby verifies that he or she is 18 years of age or older and has provided at least one secure and verifiable document, as required by O.C.G.A. § 50-36-1(e)(1), with this affidavit.

The secure and verifiable document provided with this affidavit can best be classified as:

_____.

In making the above representation under oath, I understand that any person who knowingly and willfully makes a false, fictitious, or fraudulent statement or representation in an affidavit shall be guilty of a violation of O.C.G.A. § 16-10-20, and face criminal penalties as allowed by such criminal statute.

Executed in _____ (city), _____ (state)

Signature of Applicant

Printed Name of Applicant

SUBSCRIBED AND SWORN
BEFORE ME ON THIS THE
_____ DAY OF _____, 20____.

NOTARY PUBLIC

My Commission Expires:

APPENDIX C: SAMPLE BID FORM



Return Date: **[Insert Bid due date and time]**

Return to: City of Sandersville
Attn: [Purchasing Agent]
141 W. Haynes Street
P.O. Box 71
Sandersville, GA 31082

Lump Sum Bid **Bid Amount \$** _____

Projected Project Start Date _____

RETURN DOCUMENTATION REQUIRED

- A. W-9 Form – Please complete attached form, check appropriate box, fill in Social Security Number or Employer Identification Number, sign, and date.
- B. Notarized E-Verify Contractor Affidavit – Please complete attached form.
- C. Notarized S.A.V.E. Affidavit – Please complete attached form.
- D. Occupational Tax Certificate/State License
- E. General Public Liability and Property Damage Insurance Certificate with a limit of liability no less than \$1,000,000.
- F. Worker’s Compensation Proof of Insurance – for more than three employees.

ALL BID FORMS SHOULD INCLUDE THE FOLLOWING INFORMATION:

Company Submitting Bid: _____

Company Address: _____

Company Phone No: _____ Company Fax No. _____

Authorized Representative: _____

Signature _____ Date: _____

Print Name and Title _____ Phone: _____

Contact Email Address: _____