

SECTION V – PURCHASE ORDER POLICY

A. General:

1. The District shall issue a Purchase Order for all services to be provided by a contractor, engineer or other professional unless an exception for doing so is specified in an existing contract.
2. The Executive Director may authorize deviations from this policy, including but not limited to, issuing purchase orders under emergency conditions (e.g. flooding, hurricanes or imminent likelihood of danger to lives or properties).

B. Bidding and Solicitation of Proposals:

1. Solicitation of proposals from Engineers, Architects, and other Design Professionals, shall be in accordance with the Consultants Competitive Negotiation Act (CCNA) and District Policy including the “Selection and Delegation of Project and Consulting Engineers” procedures as outlined in Section II E of this Manual.
2. Solicitation of bids or proposals from contractors and other service providers shall be in accordance with the following:
 - a. Where applicable, an engineer’s estimate of probable construction costs shall be obtained prior to solicitation of such bids or proposals.
 - b. Where the estimate of probable construction cost is equal to or greater than \$300,000, Staff in cooperation with the District Engineer and District General Counsel, shall formally bid the project accordance with Florida law.
 - (1) Under no circumstance may a project be intentionally split up into separate tasks of less than the \$300,000 to avoid placing the project out for bid.
 - c. Where the estimate of probable construction cost is greater than \$25,000 and less than \$300,000, Staff shall:
 - (1) Solicit prices from Approved Annual Contractors or obtain an acceptable purchasing agreement from another special district, municipality or county for usage pursuant to section 189.4221, Florida Statutes.
 - (2) Depending on the nature of the work, the Contractor which has the lowest existing unit price(s) for that specific type of work will be requested to provide a quote for the work. The District will confirm that the quote conforms to the unit prices in the applicable contract or

a separate purchasing agreement under section 189.4221 prior to issuance of a Purchase Order. If the Contractor fails to provide a quote within the time frame specified in the District's request, the Contractor with the next lowest unit price for the type of work will then be requested to provide a quote.

(3) If the proposed type of work is not specifically identified in an existing District contract or a purchasing agreement under section 189.4221 prices, the District will endeavor to obtain a minimum of three quotes from Contractors with the required expertise to perform the proposed work. The District will develop a scope of work and a bid package that may include, expected quantities, descriptive unit line items, schedule of values and specifications related to the proposed work as well as any additional information (location map, engineering plans, existing field conditions, etc.) to assist in the preparation of responsive quotes. A letter and/or electronic correspondence received by Staff from a Contractor declining to quote the work may, if approved by a Deputy Director or the Executive Director, suffice as one of the three (3) quotes. All quotes must be submitted utilizing the attached proposal form (Exhibit "B") in order to be considered for approval unless otherwise specified in the District request. The Contractor with the lowest quote will be issued a purchase order for the work.

d. Where the estimate of probable construction cost is less than \$25,000, Staff shall:

(1) Solicit prices from Approved Annual Minor Contractors or obtain an acceptable purchasing agreement from another special district, municipality or county pursuant to section 189.4221, Florida Statutes.

(2) Depending on the nature of the work, the Contractor which has the lowest existing unit price(s) for that specific type of work will be requested to provide a quote for the work. The District will confirm that the quote conforms to unit prices in the applicable contract or purchasing agreement used pursuant to section 189.4221 prior to issuance of a Purchase Order. If the Contractor fails to provide a quote within the specified time frame set forth in the District's request, the Contractor with the next lowest Unit price will then be requested to provide a quote.

(3) If the type of proposed work is not specifically identified in an existing District contract or acceptable purchasing agreement under section 189.4221 prices, the District will obtain a quote from a Contractor with the required expertise to perform the proposed work. The District will develop a scope of work, that may include expected quantities, descriptive unit line items, schedule of values and specifications

related to the proposed work as well as any additional information (location map, engineering plans, existing field conditions, etc.) to assist in the preparation of responsive quotes. If the Contractor fails to provide a quote within the time frame specified in the District's request, Staff shall select another Contractor to provide a quote based on the same scope of work. Upon receipt and acceptance of the quote, a purchase order will be issued for the work as approved and issued by the Executive Director or Deputy Director(s).

C. Issuance:

1. The Executive Director or Deputy Director(s) may approve/execute Purchase Orders for projects not exceeding \$25,000.
2. Purchase Orders equal to or greater than \$25,000 must be approved by the District's Board of Supervisors before issuance.

D. Insurance and Bonding:

1. Unless otherwise authorized by the District's Board of Supervisors all vendors must provide insurance in accordance with the District's typical contractor insurance requirements.
2. Unless otherwise authorized in accordance with the policies contained herein, all Contractors performing construction related activities shall provide chapter 255.05 F.S., payment and performance bonds and in an amount equal to 100% of the Purchase Order amount.
 - a. For projects less than \$25,000 the payment and performance bond requirements may be waived if the following conditions are adhered to:
 - (1) District Staff (as authorized by the Executive Director) and the District Engineer must both concur that due to the nature and scope of the project the bond requirements may be waived, **or** the vendor has no requirement under an existing contract to provide said bonds, **or** the District's Board of Supervisors have authorized said waiver, and
 - (2) The District has a minimum of 200% of the estimated probable construction cost secured and available in unencumbered funds, and
 - (3) There will be only one payment made to the Contractor and said payment shall not be made until such time as the work is complete and accepted by the District.

- b. For construction projects equal to or greater than \$25,000 the payment and performance bond requirements may be waived by the District's Board of Supervisors;
 - (1) Only if the District's Board of Supervisors authorizes said waiver, and
 - (2) The District has a minimum of 200% of the estimated probable construction cost secured and available in unencumbered funds, and
 - (3) There will be only one payment made to the contractor and said payment shall not be made until such time as the work is complete and accepted by the District, and
 - (4) The contract cost does not exceed \$200,000

E. Change Orders:

- 1. All Change Orders must be directly related to the scope of work as shown in the original Purchase Order.
- 2. Changes in scope can only be approved by the Board of Supervisors.
- 3. The Executive Director may issue Change Orders provided:
 - a. Said Change Order does not exceed or cause a Purchase Order to exceed \$25,000.00, and
 - b. Said Change Order does not total more than 10% of the original cost of the Purchase Order , cumulatively or
 - c. Said Change Order does not increase the time of the Purchase Order by more than a total of 90 days, cumulatively.
- 4. The District's Engineering Review Committee may issue Change Orders provided:
 - a. Said Change Orders do not total more than 10% of the original cost of the Purchase Order , cumulatively or,
 - b. Said Change Order does not increase the time of the Purchase Order by more than a total of 90 days, cumulatively.
 - c. All Change Orders approved by the Engineer Review Committee must be presented to the Board of Supervisors for ratification within 30 days of their approval.

5. Any proposed Change Order that will increase the time or money totals beyond the above-specified amounts must be presented to the Board of Supervisors for approval.

F. Protocol for obtaining quotes from Contractors without an existing contract or through the utilization of section 189.4221, Florida Statutes.

1. When a given project is outside the scope of services offered by the District's Annual Contractors, and in accordance with section B above, Staff may solicit bids from vendors not currently under contract with the District. Staff may also solicit bids from Contractors which have an acceptable purchasing agreement with another special district, municipality or county pursuant to section 189.4221, Florida Statutes. Staff should ensure that the vendors are prepared to submit the appropriate PBC Occupational License, insurance and payment/performance bonds. It is suggested that these items be listed as part of the bid request. When utilizing a purchasing agreement pursuant to section 189.4221, Florida Statutes, the obtaining of a letter from the other agency acknowledging the use of their purchasing agreement is recommended; however a copy of the subject purchasing agreement must be obtained and the vendor's written acceptance of the terms of the District's contract for the proposed project is required.
2. A Notice of Award will be sent to the vendor of choice to start the contract process but the vendor may not commence the work until a separate Notice to Proceed is issued. Prior to issuance of the Notice to Proceed, the vendor may be required to execute a project manual/contract.
3. Any District Staff member authorized to sign a Purchase Order may also execute the project manual/contract if required for the District if the work is for less than \$25,000.00, otherwise the matter must first go before and be approved by the Board.
4. Staff should schedule a minimum of one month for completion and execution of the project manual/contract process, if one is required.

EXHIBIT "A"
INSURANCE REQUIREMENTS

Below is shown the MINIMUM acceptable insurance to be carried under this Agreement:

I. Commercial General Liability:

- (A) Bodily Injury Limit:
 - \$1,000,000 Each Occurrence
 - \$1,000,000 Annual Aggregate
- Property Damage Limit:
 - \$1,000,000 Each Occurrence
 - \$1,000,000 Annual Aggregate
- (B) or a Combined Single Limit of Bodily Injury and Property Damage:
 - \$1,000,000 Each Occurrence
 - \$1,000,000 Annual Aggregate
- (C) The Commercial General Liability shall include Contractual Liability.

II. Comprehensive Automobile Liability:

- (A) Bodily Injury Limit:
 - \$ 500,000 Each Person
 - \$1,000,000 Each Occurrence
- Property Damage Limit:
 - \$ 500,000 Each Person
- (B) or a Combined Single Limit of Bodily Injury and Property Damage Liability:
 - \$1,000,000 Each Person
 - \$1,000,000 Each Occurrence

III. Workers Compensation and Employers Liability:

- Statutory Limits
 - \$100,000 Each Accident
 - \$500,000 Disease-Policy Limit
 - \$100,000 Disease-Each Employee

IV. Umbrella Excess Liability Insurance:

- (A) \$1,000,000 Each Occurrence
- \$1,000,000 Annual Aggregate
- (B) The aforementioned umbrella coverage shall be no more restrictive than coverage required for the underlying policies.

V. Notice of Cancellation:

The Insurance afforded above may not be terminated or reduced unless (30) thirty days prior written notice of such termination or reduction is mailed to Northern (unless terminated for non-payment in which event ten (10) days notice is required).

VI. Insurance Certificate:

Northern Palm Beach County Improvement District shall be listed as an additional insured for the above Commercial and Umbrella Liability insurance coverage and a certificate of insurance reflecting same shall be delivered to Northern Palm Beach County Improvement District prior to commencement of construction of the project.

EXHIBIT "B"
QUOTE REQUEST FORM



Northern Palm Beach County Improvement District
359 Hiatt Drive, Palm Beach Gardens, FL 33418
Phone 561-624-7830 ~ Fax. 561-624-7839

REQUEST FOR QUOTE/PROPOSAL

TO: _____

OF: _____

FROM: _____

DATE: _____

PROVIDED TO VENDOR VIA:

E-MAIL: _____

HAND DELIVERY: _____

U.S. MAIL: _____ **PICK-UP:** _____

FAX NO.: _____

ON DATE SHOWN ABOVE

TOTAL NUMBER OF PAGES INCLUDING THIS ONE: _____

PROJECT NAME: _____

UNIT OF DEVELOPMENT NO. _____



Northern Palm Beach County Improvement District
359 Hiatt Drive, Palm Beach Gardens, FL 33418
Phone 561-624-7830 ~ Fax. 561-624-7839

REQUEST FOR QUOTE/PROPOSAL

REQUEST DATE: _____ STAFF LEAD: _____

PROJECT NAME: _____

UNIT OF DEVELOPMENT NO. _____

ATTACHMENTS: PICTURE __ MAP __ AERIAL __ OTHER _____

PROJECT LOCATION: _____

EXISTING CONDITIONS: _____

SCOPE OF WORK: _____

SPECIAL CONDITIONS: _____



Northern Palm Beach County Improvement District
359 Hiatt Drive, Palm Beach Gardens, FL 33418
Phone 561-624-7830 ~ Fax. 561-624-7839

QUOTE/PROPOSAL

REQUEST DATE: _____ STAFF LEAD: _____

PROJECT NAME: _____

We, (I) _____ of _____, have
(Representative & Corporation Name)
reviewed the materials and site conditions for the referenced project and, in accordance with my

_____ contract hereby propose the following:
(applicable contract title)

- 1.) Within 30 calendar days, upon notification to proceed as received by Northern Palm Beach County Improvement District, We (I), will commence the work as outlined in the Scope of Service for a total fee of: \$ _____.
(As indicated on the attached schedule of values if applicable)

_____ and _____.
(Signature) (Date)

OR

- 2.) We (I) have reviewed the materials forwarded with this request. By my signature and return of this form we opt not to submit a proposal for this project. Please provide a reason for your choosing not to bid at this time so that we may better utilize your services in future.

_____ and _____.
(Signature) (Date)

Return this form, by FAX **OR** MAIL, no later than _____, _____ AM/PM; indicating an interest to provide service by entering a proposed amount and signing under item #1 **OR** signing at item #2, the election not to participate in this bid.

Should there be any questions concerning the scope of work, please contact:

Northern Palm Beach County Improvement District
359 Hiatt Drive, Palm Beach Gardens, Florida 33418
Office: 561-624-7839, Cell: _____, Fax: 561-624-7839