



ORDINANCE NO. 2005 - 76

AN ORDINANCE AMENDING ORDINANCE 81-8, AS AMENDED, WHICH ADOPTED A PURCHASING POLICY FOR THE UNINCORPORATED AREAS OF NASSAU COUNTY; SPECIFICALLY AMENDING SECTION 4 - PURCHASING RULES AND REGULATIONS, ADDING A SUBSECTION 7 - PIGGYBACKING OFF OF OTHER LOCAL GOVERNMENTAL ENTITY'S COMPETITIVE BIDS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Nassau County, Florida has established a purchasing policy for the unincorporated areas of Nassau County, Florida; and

WHEREAS, as local governments face continued budget difficulties, many are looking to strategic sourcing to leverage their buying power and harness a tool used very successfully in the private sector; and

WHEREAS, Strategic Sourcing is a label to describe a series of procurement "best practices" that enable organizations to buy more effectively and efficiently; and

WHEREAS, Nassau County Ordinance No. 2001-20 known as the Purchasing Policy for Community Development Block Grant Programs, provides for Cooperative Purchasing; and

WHEREAS, the Nassau County Purchasing Policy currently provides for other Cooperative purchases such as procuring goods and services under Current State Contracts; and

WHEREAS, one simple technique of strategic sourcing that can be implemented is for one local government to cooperate with another local government and piggyback on that entity's sourcing efforts; and

WHEREAS, by piggybacking off of other competitive bids from other Florida local governmental entities, Nassau County can avoid the time consuming process of soliciting bids for the same commodity or service, while at the same time getting the best competitive pricing that the aggregated buying power of a larger state agency would obtain.

NOW, THEREFORE BE IT ORDAINED this 14th day of November, 2005, by the Board of County Commissioners of Nassau County, Florida, that Section 4 of Ordinance No. 81-8, as amended, shall be further amended as follows:

1. SECTION 4 - PURCHASING RULES AND REGULATIONS

1. *Purchase Requisition* - Certain employees or officers who are designated by the Board as its authorized representatives, shall have the authority to request purchases on the approved purchase requisition. **NO PURCHASE SHALL BE ALLOWED TO BE DIVIDED OR SUBDIVIDED IN ORDER TO CIRCUMVENT ANY SECTION OF THIS PURCHASING POLICY.** The requisitioner shall submit the purchase requisition to the Finance Department. Finance shall review the requisition for completeness and to ensure that the requisitioner has been authorized by the Board to make requisitions, that the appropriate fund account number has been assigned, that there are sufficient unencumbered amounts in the fund account to cover the purchase and that the requested purchase meets the requirements of Section 4. All specifications for bids

for goods or services greater than \$5,000 must be forwarded to the Clerk's office for review by the County Attorney and Clerk as to form. After review, the county department shall utilize the county's class item bid list to obtain a list of vendors for particular goods or services. The department shall send a copy of the solicitation along with verification of mailing to the Clerk's office.

2. *Purchase Orders* - If the conditions in Section 4(1) above are met and upon validation, the Finance Department shall notify the department of the issuance of the purchase order and shall distribute the Purchase Order to the vendor in a timely manner.

3. *Purchase Rules* -

a. Any purchase for \$200.00 or less, need not be made with the purchase requisition/purchase order as described in Sections 1 and 2. Each purchase for \$200.00 or less must, however, be signed for as being received by the department head or his authorized representative. A receiving report must be filed with the Finance Department prior to payment. For all purchases over \$200.00 a purchase order must be issued in accordance with Section 4(1) and (2). The invoice and receiving report shall be forwarded to the Finance Department immediately upon receipt of the goods or services for payment. For purchases of \$200.00 or less (including all applicable freight or costs) the invoice

and receiving report shall be immediately forwarded to the Finance Department upon receipt of the goods or services for payment. In all circumstances, the receiving report shall be signed and dated by the authorized individual indicating receipt, inspection and acceptance of the goods or services as specified on the purchase order. The Clerk of Circuit Court as Chief Financial Officer shall have the authority to lower the amounts in Subsection (3)(a) as to what he deems reasonable for any department that is found to abuse this section of the policy. The Clerk of Circuit Court as Chief Financial Officer shall conduct internal audits to determine if the purchasing policy is being adhered to by all departments as deemed necessary the Clerk.

b. All purchases greater than \$200.00 but equal to or less than \$1,500.00 shall follow the purchase requisition/purchase order regulations as described in Section 4. Purchases of less than \$1,000.00 for the purchase of items necessary for the repair of equipment for the Road and Bridge Department and the Solid Waste Department only shall not be required to obtain a purchase order.

c. All purchases that are greater than \$1,500.00 but less than \$5,000.00 shall require the purchasing agent to obtain at least three (3) formal bids or quotations. Evidence of these three informal bids or quotations must be submitted to the Finance Department prior to the

issuance of the Purchase Order. If three bids cannot be obtained, the agent must provide the Finance Department with a written explanation as to why three bids or quotations cannot be obtained. Finance shall attach the bids or quotations to the signed copy of the Purchase Order.

d. For all purchases equal to or greater than \$5,000.00 but less than \$10,000.00, the Department shall attempt to obtain a minimum of five (5) sealed bids or quotations delivered to the Clerk's Office. All bids or purchases made under this category shall utilize the County's class item bid list. The vendor shall be given a minimum of seven (7) calendar days from the date of mailing to respond. The department head must certify to the Clerk's office the date of mailing and the expected date of receipt of the bids or quotations. If less than five (5) responses are obtained, the department head should have a written explanation as to why five responses were not obtained.

e. All purchases equal to or greater than \$10,000.00 but less than \$15,000.00 shall be made from the County's class item bid list. All vendors registered must be sent an invitation to bid by certified mail or another method to show proof of delivery for the requested goods or services. The department shall submit to the Clerk along with a copy of the solicitation, a list of all vendors the solicitation was sent to and method of delivery and shall

sign off verifying that the requests were sent.

f. All purchases equal to or greater than \$15,000.00 require formal and competitive bids. All purchases shall be advertised at least once in a newspaper of general or regional circulation and at least two weeks or fourteen (14) calendar days prior to the bid opening. In addition to advertising, department heads shall utilize the established class item bid list and send notice to all applicable vendors.

g. When only one bid is received for the purchase of an item or group of items, the Board shall review the bid in order to determine the reasons why, if any, only one bid was received. The Board may accept the only bid or it may request that a second call for bids be issued. If the only bid is accepted, then the reason why, if any, only one bid was received shall be included in the minutes of the Board. The Board reserves the right to reject any and all bids and such reservation shall be indicated in all advertising and bid invitations.

4. *State Contract Purchases* - The three bid requirements may be waived if the purchase is procured under current state contract. If the goods or services can be made locally or within Nassau County boundaries at a rate less than State contract the department head may utilize the local vendor. The purchase requisition must reference the

State Contract List, Contract Title, current contract number and contract expiration date. The purchasing agent shall be responsible for making sure that the best and most economical purchase is made. This procedure **may not** be utilized for any purchase greater than \$30,000.00.

5. *Sole Source Purchases* - If the required goods or services can only be procured from a sole source, the purchasing agent must provide a written explanation supporting the requisition of a sole source procurement. Such written explanation shall be submitted with the purchase requisition to the Finance Department. The Clerk as Chief Financial Officer can approve the purchase requisition if the written explanation is sufficient, in his opinion, for purchases up to \$10,000.00. If the Clerk does not have sufficient explanation or the written explanation, in his opinion does not support the sole source procurement, the approval shall lie with the Board of County Commissioners. For purchases of \$10,000.00 and above, the Clerk must review and submit same to the Board of County Commissioners for final approval.

6. All solicitations must contain the statement that the prices obtained must be honored by the vendor for equal goods and services for any governmental entity or Constitutional Officer of the State of Florida for the remainder of the fiscal year.

7. Piggy Backing Off of Other Local Governmental Entity's Competitive Bids

a) DEFINITION

"Piggybacking" refers to using competitive bids obtained by other County and Municipal governmental entities. The County may utilize a competitive bid solicited by any other municipal or county governmental agency or any combination of such agencies. By piggybacking off of other bids the County can avoid the time consuming process of soliciting bids for the same commodity or service.

b) GENERAL

The Piggybacked purchase should be utilized during the term of the entity's contract. The County should be cautious when piggybacking off of another entity's bid. The award will be in accordance with all the terms and conditions, prices, time frames and other criteria as included in the Invitation to Bid. Changes to terms and conditions, etc., are not allowable.

Additional options may be included unless the total dollar value of the options is in excess of the County's bid limit. It is recommended that the department contact the user department/division of the other entity to determine that the item is exactly what is needed by the County. Additionally, to determine if they would recommend piggybacking of the award (i.e., Did the vendor perform

appropriately?).

c) PROCEDURE

Buyers should have all piggybacks pre-approved by the County Administrator or his/her designee prior to performing the following due diligence, to assure that piggybacking for the purchase in question will be appropriate. Prior to using another local governmental entity's bid procedure the County representative should review and including the due diligence for piggybacking the following:

1) A review of the competitive bidding or proposal process used by the other local governmental entity's Purchasing Ordinance to ensure that it is, at the least, similar to that required by the County's purchasing policy.

2) The Invitation to Bid or RFP;

3) The number of responses submitted;

4) The selected vendor's response;

5) The resultant Contract, Purchasing Agreement, Purchase Order, etc., as the County's purchase must be pursuant to identical terms.

6) A statement from the vendor offering to honor for Nassau County the same prices under the same terms and conditions as indicated in the resultant Contract Purchasing Agreement, Purchase Order, etc.

d) AWARD

The Award shall be in accordance with the express authority as delegated for purchases in the Nassau County purchasing policies.


Section II: Effective Date

This ordinance shall become effective upon being filed in the Office of the Secretary of State.

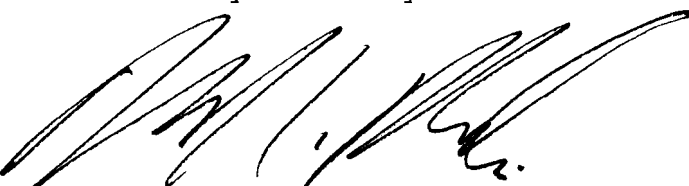
BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA


ANSLEY N. ACREE
Its: Chairman

ATTEST:


JOHN A. CRAWFORD
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney


MICHAEL S. MULLIN