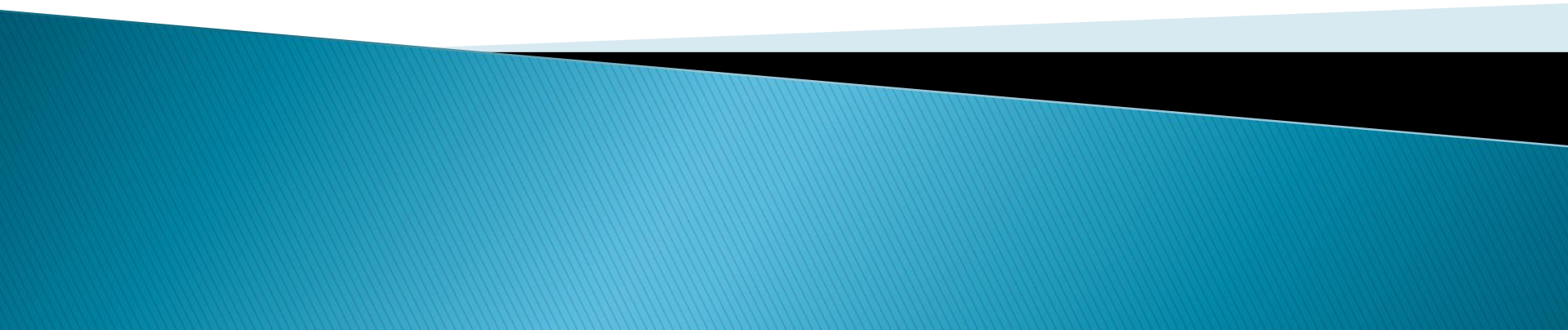
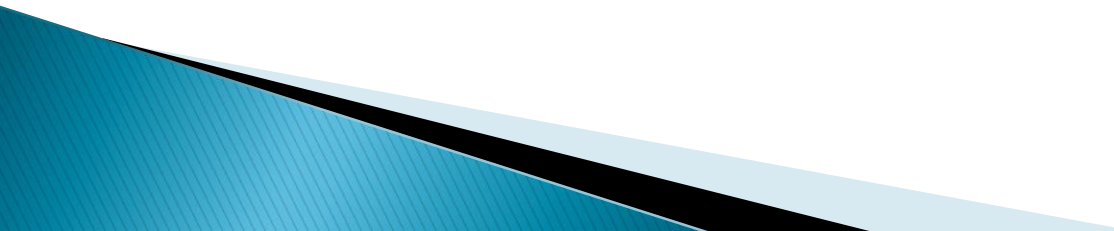


# Purchasing Best Practices

October 9, 2018



# Outline

- ▶ ITB or RFP
  - ▶ Bid Protest Procedure
  - ▶ Comparable Municipalities
  - ▶ Current City Practices/Best Practices
  - ▶ Making Purchasing a World Class Organization
  - ▶ Additional Guidance
- 

# Purchasing Thresholds

## **Expenditure of \$65,000 or more**

- ▶ **Formal Solicitation process applies**
- ▶ **Commission Approval of contract award applies before vendor can proceed**

## **Expenditure under \$65,000**

- ▶ **Informal process applies/City obtains 3 quotes for the item or service**
  - ▶ **City Manager or Designee approval applies before the vendor can proceed**
- 

# Invitation to Bid

## Invitation to Bid (ITB)

- ▶ standard method of procurement
- ▶ specifications are completely established

## Evaluation

- ▶ Pricing

## Method of Award

- ▶ Lowest priced responsive, responsible bidder
- 

# Request for Proposals

## Request for Proposals (RFP)

- ▶ Scope of services may not be completely established by the City
- ▶ more than one solution may be available in the market
- ▶ varying levels of service to negotiate

## Evaluation

- ▶ Experience and qualifications of proposer and staff
- ▶ Project management approach
- ▶ Recommended solutions
- ▶ Financial capabilities and pricing


## Method of Award

- ▶ Highest ranked responsive, responsible proposer
- 

# Due Process – Bid Protest Procedure

- ▶ A bidder or proposer that has submitted a response to a Formal Solicitation and is adversely affected by the decision of award may file a formal written protest within seventy-two (72) consecutive hours (excluding Saturdays, Sundays and legal holidays) from the time of initial posting of the intended award. Protestors shall file their written protests with the City between the hours of 8:00 a.m. and 5:00 p.m. Written protests shall contain, at a minimum:
  - ▶ i. The name of the protesting party;
  - ▶ ii. The protestor's address and phone number, and fax number;
  - ▶ iii. The name of the protestor's representative, if applicable;
  - ▶ iv. The title and bid number of the solicitation;
  - ▶ v. A plain clear statement of the grounds on which the protest is based; and
  - ▶ vi. Specific information regarding the relief to which the protestor deems itself entitled and/or the remedy requested.

# Due Process – Bid Protest Procedure

- ▶ Provides City staff the ability to formally review any documented issues with the procurement process
  - ▶ Allows vendors an appropriate avenue of appeal
  - ▶ Vendors with concerns regarding specifications, scope of work, weight of evaluation criteria, or formula for assigning points must raise the concerns when the solicitation is advertised; prior to the due date of submissions. This allows the City to consider the concerns and issue addenda to the solicitation.
  - ▶ Changes to the factors listed above cannot be made once the bids are received for purposes of transparency and fairness to all bidders; and to maintain the integrity of procurement process.
- 

# Comparable Municipalities

Agency	Are RFPs/RFQs Sent to Commission Prior to Advertising?	When are Rankings Taken to Commission for Review/Approval?	Does Commission Serve as Evaluation Committee?
City of Delray Beach	No	After negotiations have concluded	Rarely (certain instances)
City of Dania Beach	No	After negotiations have concluded	Rarely, if ever*
City of Wilton Manors	No	Never, only subsequent contract	Never*
City of Lauderdale Lakes	No, but updated through City Manager's summary	After negotiations have concluded	Only for City Attorney and Financial Audit Services*
City of West Palm Beach	No	Never	Rarely, mostly for land development related projects
City of Coral Springs	No	Never, only subsequent contract (if over threshold)	Never (Commission established policy against them serving as members)*
City of Deerfield Beach	No	Varies by solicitation	Never*
City of Miami Beach	Yes	Before negotiations through City Manager (negotiated contract not taken back to Commission for approval)	Never, but sometimes recommend subject matter expertise members
City of Miami	No	After negotiations have concluded (City Manager authorizes staff to enter into negotiations)	Never
City of Oakland Park	No	After negotiations (except for CCNA, then before negotiations)	Never*
City of North Miami Beach	No	After negotiations (except for CCNA, then before negotiations)	Never
City of Sunrise	Yes, through City Manager's Office	Varies by solicitation	Never*
City of Boca Raton	No	Never, only subsequent contract (if over threshold)	Rarely
South Florida Regional Transportation Authority (SFRTA)	No	Never, only subsequent contract (if over threshold)	Never
City of Pembroke Pines	Yes	Before and after negotiations	Never (County Code of Ethics for Elected Officials does not allow)*
City of Coconut Creek	Yes	Never, only subsequent contract (if over threshold)	Never*
North Bay Village	No	Never (except for CCNA or other professional services)	Never
City of Boynton Beach	No	Before and after negotiations	Not to the Purchasing Manager's knowledge
City of Greenacres	No	Before and after negotiations	Rarely

\*Broward County Code, Section 1-19(c)(6) states that Elected Officials may not serve on any Evaluation Committee.



# Current City Practices/Best Practices

## National Procurement Institute

### Criterion/Best Practice

1. Procurement Ethics Standards
2. Electronic Procurement Manual
3. Professional Development Program
- 4a. Internal Department Customer Service Survey
- 4b. External Vendor Customer Service Survey
- 4c. Internal Customer Department Training
- 4d. Formal Vendor Training
- 4e. Performance Measures
5. Centralized Procurement Authority
6. Organizational Structure
- 7a. Internet Home Page
- 7b. Online Electronic Vendor Registration
- 7c. Posting & Downloading of Solicitations
- 7d. Use of an Electronic, Interactive Solicitation System
- 7e. Posting of Tabulation & Award Information Online
- 7f. Internal Procurement Automation
- 7g. Electronic Data Interchange
- 7h. Internet Surplus Auction System
- 8a. P-Card System / Electronic P-Card Manual
- 8b. Comprehensive P-Card Program Audit or Certification
9. Use of Term/Requirements Contracts
- 10a. Certification/Chief Procurement Official
- 10b. Certification/Professional Staff
- 11a. Education/Chief Procurement Official
- 11b. Education/Professional Staff
12. Association Leadership Position
13. Presenter/Panel Member/Author
14. Adoption of Best Value Procurement Method
- 15a. Environmental Procurement Policy
- 15b. Environmental Performance Report
16. Lead Agency/Cooperative Procurement
17. Contract Award Authority
18. Continued Pursuit of Excellence

# Elements of a World Class Organization

- ▶ Recruits Talented Professionals
- ▶ Retains and Motivates Employees
- ▶ Invests Time and Resources in Professional Development
- ▶ Provides Tools Necessary to Ensure Success
- ▶ Open to Change and Improvement
- ▶ Stable Leadership
- ▶ Leaders offer Support, Confidence and Trust in Staff at all levels of the Organization

# Elements of a World Class Organization



A team is not a group  
of people that work together.  
A **team** is a group of people  
that **trust each other.**

— *Simon Sinek*

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# Additional Guidance

## National Institute of Governmental Purchasing (NIGP)

- ▶ *The Public Procurement Guide for Elected and Senior Government Officials (handout)*

### Top Ten Things to Know about Procurement



**1 What is your role in the procurement process?**



**6 How is public procurement different from private sector procurement?**



**2 Ethics – Staying on the Right Side.**



**7 Procurement Methods.**



**3 Procurement Authority – Why is it important to me?**



**8 Emergency Management and Continuity of Operations.**



**4 What is the strategic value of procurement to a public entity?**



**9 The issue of Privatization.**



**5 Procurement Values and Principles.**



**10 The issue of Social Policy and Contracting Preferences.**

# Additional Guidance

## Palm Beach County Inspector General (Handouts)

- ▶ Making Government Better: Recommendations to Strengthen the Procurement Process
  - ▶ 2015 Office of Inspector General Municipality Procurement Review
  - ▶ RFP or ITB
  - ▶ Evaluation Criteria
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