

Adopted December 7, 2010, effective January 13, 2011; Resolution No. 2010-152  
Amended September 20, 2016; Resolution No. 2016-128  
Amended and effective xx/xx/2024; Resolution No. 2024-xxx

**Napa County  
Purchasing Policy**

**Contents**

**SECTION 1. AUTHORITY AND RESPONSIBILITIES ..... 1**

1-1 AUTHORITY..... 1

1-2 AUTHORIZATION ..... 1

1-3 DELEGATION ..... 1

1-4 RESPONSIBILITIES..... 1

**SECTION 2. GENERAL PROCUREMENT ..... 2**

2-1 POLICY STATEMENT..... 2

2-2 COMPETITIVE PROCUREMENT ..... 2

2-3 EXCEPTIONS TO THE COMPETITIVE PROCESS ..... 3

2-3.1 WAIVER OF COMPETITIVE PROCUREMENT ..... 3

2-3.1.1 SOLE SOURCE JUSTIFICATION ..... 3

2-3.1.2 ELECTION MATERIAL..... 4

2-4 UNAUTHORIZED PURCHASES ..... 4

2-4.1 PERSONAL USE ITEMS..... 4

2-5 STANDARDIZATION ..... 4

2-6 ETHICAL STANDARDS..... 5

2-6.1 GIFTS AND SPECIAL CONSIDERATION ..... 5

2-6.2 PRACTICES ..... 6

2-6.3 CONFLICT OF INTEREST – ACTUAL OR POTENTIAL.... 6

**SECTION 3. GOODS, MATERIAL, SUPPLIES, AND EQUIPMENT ..... 6**

3-1 PURCHASES OF GOODS, MATERIAL, SUPPLIES AND  
EQUIPMENT UNDER \$5000 ..... 6

3-2 PURCHASE OF GOODS, MATERIAL, SUPPLIES AND EQUIPMENT  
OF \$5000 OR MORE..... 7

3-3 EMERGENCY PURCHASES..... 8

3-4 SOLE SOURCE JUSTIFICATION ..... 8

3-5 LEASES ..... 9

3-6 OFFER AND ACCEPTANCE..... 10

3-7	SOLICITATION OF INFORMAL QUOTATIONS AND PROPOSALS .....	10
3-7.1	INFORMAL REQUESTS FOR QUOTATIONS .....	10
3-7.2	INFORMAL REQUESTS FOR PROPOSALS .....	11
3-7.3	ORAL PURCHASE COMMITMENTS .....	11
3-8	FORMAL COMPETITIVE PROCUREMENT PROCEDURES .....	11
3-9	PROCEDURES FOR PURCHASING CAPITAL ASSETS .....	12
3-10	RECEIVING .....	12
3-11	PAYMENT OF PURCHASE ORDER .....	13
3-12	LOCAL VENDORS PRICE PREFERENCE - GOODS, MATERIAL, SUPPLIES AND EQUIPMENT .....	13
<b>SECTION 4. REQUISITIONS AND PURCHASE ORDERS .....</b>		<b>13</b>
4-1	SPECIFICATIONS .....	14
4-1.1	MERCHANT CONTACT AND ASSISTANCE IN WRITING SPECIFICATIONS .....	15
4-1.2	REVIEW OF SPECIFICATIONS .....	16
4-2	TYPES OF PURCHASE ORDERS .....	16
4-2.1	NORMAL PURCHASE ORDER .....	16
4-2.2	BLANKET PURCHASE ORDER .....	16
4-3	RECORD RETENTION .....	17
4-4	EXCEPTIONS TO USING PURCHASE ORDERS .....	17
4-5	ENCUMBRANCE OF PURCHASE ORDERS .....	17
4-6	DISTRIBUTION OF PURCHASE ORDERS .....	18
4-7	CHANGING PURCHASE ORDERS .....	18
<b>SECTION 5. FORMAL SOLICITATIONS [REQUEST FOR PROPOSALS, REQUEST FOR QUALIFICATIONS, AND INVITATION FOR BIDS] .....</b>		<b>18</b>
5-1	COMPETITIVE SEALED PROPOSALS – REQUESTS FOR PROPOSALS .....	18
5-1.1	MERCHANT CONTACT AND ASSISTANCE IN WRITING SPECIFICATIONS .....	18
5-1.2	CONDITIONS FOR USE .....	19
5-1.3	EVALUATION PHILOSOPHY .....	19
5-1.4	EVALUATION PANEL .....	19
5-1.5	EVALUATION CRITERIA .....	19
5-1.6	PROCEDURES FOR REQUEST FOR PROPOSALS.....	19
5-1.7	PUBLIC NOTICE .....	19

5-1.8 RECEIPT, OPENING, AND RECORDING OF PROPOSALS ..... 20

5-1.9 EVALUATION OF PROPOSALS ..... 20

5-1.10 DISCUSSIONS WITH OFFERORS AND REVISIONS TO PROPOSALS ..... 20

5-1.11 CONTRACT NEGOTIATION ..... 21

5-1.12 INTENT TO AWARD ..... 21

5-1.13 RECORDS ..... 21

5-2 COMPETITIVE SEALED PROPOSALS – REQUESTS FOR QUALIFICATIONS..... 22

5-3 COMPETITIVE SEALED BIDDING – INVITATION FOR BIDS..... 22

5-3.1 PUBLIC NOTICE ..... 22

5-3.2 PREPARATION OF BID SPECIFICATIONS..... 22

5-3.2.1 MERCHANT INVOLVEMENT ..... 23

5-3.2.2 RESTRICTIVE SPECIFICATIONS..... 23

5-3.2.3 OTHER CONSIDERATIONS ..... 23

5-3.3 BID DOCUMENTS ..... 23

5-3.3.1 COPIES OF DOCUMENTS ..... 23

5-3.3.2 INTERPRETATION OF DOCUMENTS ..... 23

5-3.4 SUBSTITUTIONS ..... 24

5-3.5 BID ADDENDA ..... 24

5-3.6 BIDDERS’ CONFERENCE ..... 24

5-3.7 PROCUREMENT SCHEDULE AND BID OPENING DATE ..... 25

5-3.8 FORM OF BID..... 25

5-3.9 BID SECURITY ..... 25

5-3.10 RECEIPT OF BIDS ..... 26

5-3.11 BID OPENING ..... 26

5-3.12 CORRECTION AND WITHDRAWAL OF BIDS ..... 26

5-3.12.1 GENERAL RULE..... 26

5-3.12.2 WAIVING BID DEFECTS..... 26

5-3.12.3 BID WITHDRAWAL PRIOR TO THE BID OPENING..... 27

5-3.12.4 JUDGMENTAL ERRORS ..... 27

5-3.12.5 CORRECTING MISTAKES IN BIDS ..... 27

5-3.12.6 CONFIRMATION OF BID ..... 27

5-3.13 BID EVALUATION ..... 28

5-3.14	RESERVATION OF RIGHT TO REJECT BIDS AND/OR REQUIRE REBID.....	28
5-3.15	BID AWARD .....	29
5-3.15.1	RESPONSIVE BID.....	29
5-3.15.2	RESPONSIBLE BIDDER.....	29
5-3.16	CANCELLATION OF BID AWARD .....	29
5-3.17	RECORDS .....	29
5-3.18	TIE BIDS.....	30
<b>SECTION 6.</b>	<b>SERVICE CONTRACTS .....</b>	<b>30</b>
6-1	USE OF SERVICE CONTRACTS.....	30
6-2	CRITERIA FOR SERVICE CONTRACTS .....	30
6-3	VENDOR SELECTION –SERVICE CONTRACTS .....	30
6-3.1	VENDOR SELECTION - PROFESSIONAL SERVICES – ARCHITECTURAL, LANDSCAPE ARCHITECTURAL, ENGINEERING, ENVIRONMENTAL, LAND SURVEYING, OR CONSTRUCTION PROJECT MANAGEMENT SERVICES .....	31
6-3.2	SOLE SOURCE JUSTIFICATION - SERVICES .....	31
6-4	LOCAL VENDOR PREFERENCE – SERVICES .....	32
6-4.1	SPECIFIC RFP LANGUAGE .....	32
6-5	REVIEW BY COUNTY COUNSEL AND RISK MANAGMENT .....	33
6-6	AWARD AUTHORITY FOR SERVICE CONTRACTS .....	33
6-7	REQUIRED APPROVALS .....	33
6-7.1	SERVICE CONTRACTS: LESS THAN \$50,000 PER ANNUM AND NOT EXCEEDING FIVE YEARS IN LENGTH.....	33
6-7.2	SERVICE CONTRACTS: FROM \$50,000 PER ANNUM TO PURCHASING AGENT’S CPI-ADJUSTED AUTHORITY LEVEL AND NOT EXCEEDING FIVE YEARS IN LENGTH .....	34
6-7.3	SERVICE, CONTRACTS: GREATER THAN THE CPI-ADJUSTED PURCHASING AGENT AUTHORITY LEVEL, PER ANNUM; OR EXCEEDING FIVE YEARS IN LENGTH.....	34
6-8	INCREMENTAL CONTRACTING.....	35
6-9	CONTRACT TERM, EXTENSION, AND AMENDMENT .....	35
6-10	CONTRACT TERMINATION.....	35
6-11	EMERGENCY SERVICES .....	35
6-12	CONFLICT OF INTEREST .....	36

6-13 PROCEDURES..... 36

6-14 DEBARMENT OF VENDORS ..... 37

**SECTION 7. PROTESTS AND APPEALS ..... 37**

7-1 PURPOSE ..... 37

7-2 APPLICATION..... 37

7-3 STANDING ..... 37

7-4 PROTEST DEADLINES ..... 37

7-5 CONTENTS OF PROTEST..... 38

7-6 RESOLUTION PROCESS ..... 38

7-7 EXCLUSIVE REMEDY ..... 39

**SECTION 8. E-PROCUREMENT ..... 39**

**SECTION 9. SURPLUS PROPERTY ..... 39**

9-1 RESPONSIBILITY ..... 39

9-2 DEPARTMENT NOTIFICATION OF SURPLUS PROPERTY ..... 39

9-3 MOVEMENT AND STORAGE OF SURPLUS PROPERTY ..... 39

9-4 DISPOSAL OF SURPLUS PERSONAL PROPERTY ..... 40

9-5 PROHIBITION AGAINST SURPLUS PURCHASE BY EMPLOYEES  
..... 41

9-6 TRADE-IN ALLOWANCE..... 41

9-7 PROCEEDS FROM DISPOSITION OF SURPLUS PROPERTY ..... 41

**SECTION 10. ENVIRONMENTALLY PREFERRED PURCHASING ..... 41**

10-1 PROCUREMENT REQUIREMENTS ..... 41

10-2 IMPLEMENTATION ..... 43

10-2.1 PURCHASING MANAGER RESPONSIBILITIES ..... 43

10-2.2 DEPARTMENT RESPONSIBILITIES ..... 44

10-3 DEFINITIONS ..... 44

**SECTION 11. PURCHASING CARD (P-CARD) ..... 45**

11-1 BACKGROUND..... 45

11-2 P-CARD ADMINISTRATION..... 45

11-2.1 PROGRAM COORDINATOR (PURCHASING AGENT) ... 45

11-2.2 AUDITOR-CONTROLLER ..... 46

11-3 P-CARD AGENCY STRUCTURE ..... 46

11-3.1 INDIVIDUAL CARD HOLDERS..... 46

11-3.2 APPROVING MANAGER..... 47

11-4 CONTROLS..... 47

11-4.1 CERTIFICATION & APPROVAL ..... 47

11-4.2 CARD HOLDER USE ONLY ..... 48

11-4.3 TRANSACTION DOLLAR LIMITS ..... 48

11-4.4 OFFICIAL USE ONLY ..... 48

11-4.5 CONTINUOUS MONITORING AND AUDITING ..... 48

11-5 OBTAINING A P-CARD ..... 48

11-5.1 COUNTY DEPARTMENT REQUESTS ..... 48

11-6 AUTHORIZED, RESTRICTED AND PROHIBITED  
PURCHASES ..... 49

11-6.1 AUTHORIZED PURCHASES ..... 49

11-6.2 RESTRICTED PURCHASES ..... 49

11-6.3 PROHIBITED PURCHASES ..... 49

11-6.3.1 PURCHASES EXCLUDED BY THE STATE OF  
CALIFORNIA ..... 49

11-6.3.2 PURCHASES EXCLUDED BY NAPA COUNTY ..... 50

11-6-3.3 BOARD DECLARED EMERGENCY ..... 50

**SECTION 12. DEFINITIONS, ACRONYMS, and STATUTORY CROSS  
REFERENCES ..... 51**

12-1 DEFINITIONS AND ACROYNMS ..... 51

12-2 STATUTORY CROSS REFERENCES ..... 52

12-2.1 NAPA COUNTY CODES ..... 52

12-2.2 CALIFORNIA CODES ..... 52

12-2.3 FEDERAL CODES ..... 53

## **SECTION 1. AUTHORITY AND RESPONSIBILITIES**

### **1-1 AUTHORITY**

(a) Pursuant to Sections 2.08.040(C)(12) and 2.36.030 of the Napa County Code, the County Executive Officer shall be the County Purchasing Agent. The Purchasing Agent heads the Purchasing Division, a division of the County Executive's office.

(b) The duties and authority of the Purchasing Agent are defined by the State laws applicable to purchasing agents for general law counties, by Chapter 2.36 of the Napa County Code and by other resolutions and orders of the Board of Supervisors, including those collected in the County Purchasing Policy.

### **1-2 AUTHORIZATION**

Pursuant to California Government Code Section 24100 and Napa County Code Section 2.36.030 the Purchasing Agent, and under their direction and supervision the employees assigned to the Purchasing Division, to include the Purchasing Manager, are authorized to act as agents for the County in procuring personal property and services for County departments and such special districts and commissions as directed by the Board of Supervisors. Only the Board of Supervisors itself, the Purchasing Agent, or the Purchasing Agent's designee may commit County funds for the purchase of any goods, supplies or services for County use; and, "except in cases of emergency as hereinafter provided or in cases where the board or this chapter has made specific provision, no purchase of personal property by any person other than the purchasing agent shall be binding on the county or constitute a lawful charge against county funds". Napa County Code Section 2.36.040(A)

### **1-3 DELEGATION**

(a) As provided by Napa County Code, Section 2.36.050, the Purchasing Agent may, at the agent's discretion, delegate purchasing authority to appropriate department heads. Such delegation shall be in writing and shall precisely describe the extent thereof.

(b) Delegation letters shall be kept on file with the Purchasing Agent, the Purchasing Division and with the Auditor-Controller's Office.

### **1-4 RESPONSIBILITIES**

(a) Through the Purchasing Agent, the Purchasing Division shall be charged with specific responsibilities and duties; including, but not limited to coordinating and managing the procurement of County goods, services, and equipment in accordance with these policies.

(b) Through the Purchasing Agent, County Departments shall be charged with specific responsibilities and duties.

## SECTION 2. GENERAL PROCUREMENT

### 2-1 POLICY STATEMENT

(a) The policies herein are developed and adopted under the authority of Napa County Code Section 2.36.080 which states that “The purchasing agent shall prepare a purchasing policy which sets forth the rules and regulations for the administration of this chapter. Upon approval by the board and filing of a copy of the purchasing policy with the office of the purchasing agent, the rules and regulations contained in the policy shall have the same force and effect as the provisions of this chapter. A copy of the purchasing policy shall be available in the office of the purchasing agent and shall be open to the public for inspection during regular business hours.”

(b) The Purchasing Agent shall establish methods and procedures necessary for the proper functioning of the Purchasing Division in an effective and economical manner. (Napa County Code Section 2.36.030(B)).

(c) These policies shall apply to purchases made by the Purchasing Division, County Departments, and any agencies and special districts that utilize County Purchasing services.

(d) All federally funded purchases shall follow federal procurement requirements set forth in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR § 200 *et seq.*).

(e) This policy does *not* apply to contracts for the procurement of labor, material, or equipment for public works projects under the California Public Contract Code or to road work projects under the jurisdiction of the County Road Commissioner. The procurement of labor, material, and equipment for these projects are governed by state law, including, but not limited to, under the California Uniform Public Construction Cost Accounting Act and the Streets & Highways Code, and such other laws and regulations adopted by the County by ordinance or resolution.

(e) This policy does *not* apply to the purchase or surplus of real property.

(f) This policy does *not* apply to the use of zero-dollar MOUs.

(g) The information provided under each header, section number, and subsection number is specific to that section and shall not be used to interpret any other section of this policy.

### 2-2 COMPETITIVE PROCUREMENT

(a) Except as otherwise provided for in this policy, or by law, regulation or County ordinance, all purchases for goods and services will be made through open competition to the maximum extent feasible as determined by the Purchasing Agent or their designee and by whatever methods and procedures, formal or informal, that are determined by the

Purchasing Agent or their designee to best meet the goals and objectives detailed in this Policy.

(b) Except as otherwise provided by law, even when proposals, quotes or bids are submitted pursuant to a request for competitive purchasing, the Purchasing Division may reject any and all proposals, quotes or bids received if the Purchasing Division determines that the price, terms or surrounding circumstances of the proposal, quote or bid are such that an award would not be in the best interests of the County.

(c) The Board of Supervisors reserves the right to adopt other procurement procedures for designated procurements of goods and/or services that may be at variance with this policy when in the best interest of the County. To the extent such procedures are in conflict or inconsistent with this policy, the Board's adopted procedures shall prevail.

(d) The Purchasing Agent is authorized to make purchases of personal property required by the County using joint powers agreements, cooperative purchasing programs, pooling agreements, and other recognized types of agreements used by government agencies; and where agreements or programs have been awarded based on a competitive request, no further competitive process shall be required. Documentation as to the advantage of the cooperative purchase should be retained where reasonably feasible.

## **2-3 EXCEPTIONS TO THE COMPETITIVE PROCESS**

### **2-3.1 WAIVER OF COMPETITIVE PROCUREMENT**

(c) (a) In instances where there are limitations on the source of supply, necessary restrictions in specifications, approved standards, quality considerations, or other valid reasons for waiving competitive procurement, purchases may be made without recourse to competitive procurement. Approval of waiver of competitive procurement shall be made by the Purchasing Agent or their designee.

(b) The Purchasing Agent may authorize specific items, or groups of items, for which competitive procurement is not required.

#### **2-3.1.1 SOLE SOURCE JUSTIFICATION**

(a) Sole source justification shall be used sparingly and only when reasonably necessary.

(b) When using a sole source justification (see sections 2-3, 3-4 and 6-4), a department shall appropriately document the applicable reason when submitting a purchase requisition to the Purchasing Division or when submitting a service contract for approval pursuant to sections 6-8.2 and 6-8.3.

(c) Approval of sole source procurement shall be made by the Purchasing Agent or their designee, subject to the provisions set forth in sections 3-1, 3-2, and 6-11.

(d) The Purchasing Agent must report to the Board of Supervisors, at least annually, any sole source justification for an item costing ten thousand dollars (\$10,000) or more (Napa County Code Section 2.36.090). The Purchasing Agent may require the department seek prior approval from the Board of Supervisors for any sole source justification that the Purchasing Agent receives.

(e) Specifications or scope of work shall not be written in a manner which artificially limits the vendor pool.

#### **2-3.1.2 ELECTION MATERIAL**

County election officials may procure elections materials without going through the Purchasing Division, pursuant to California Election Code Section 14100. However, the Elections Department shall keep records that show price comparisons and may, at the option of the County Registrar of Voters and without placing the security or conduct of an election at risk, attempt to secure the best prices for like elections-related materials, commodities, and services. No provision of this Policy shall be interpreted to direct that the purchase of election materials, commodities and services must be processed through the Purchasing Agent or Purchasing Division or be subject to any competitive bidding process.

### **2-4 UNAUTHORIZED PURCHASES**

(a) Unauthorized purchases are not considered an obligation of the County and the individual making such purchases may be held personally liable for the cost of the purchase.

(b) A department making an unauthorized purchase may be required to appear before the Board of Supervisors to ratify such expenditure.

#### **2-4.1 PERSONAL USE ITEMS**

Unless otherwise specifically authorized, the Purchasing Agent shall not purchase personal use items, except for those departments which have a responsibility for the care and feeding of inmates, court wards, or patients. In the case of departments having such responsibility, the purchase of these items shall not be diverted for the personal use of employees.

### **2-5 STANDARDIZATION**

(a) The Purchasing Agent and the Purchasing Division shall be responsible for standardization, except where a standard is determined by the Board of Supervisors.

(b) The Purchasing Agent may establish a standards committee to assist in determining the need and establishing the criteria for standardization of a commodity or service. (Napa County Code Section 2.36.060)

(c) When standards have been adopted, only the items meeting those standards are to be purchased. Standards may be subject to change and each standard is subject to periodic review.

## **2-6 ETHICAL STANDARDS**

To promote governmental integrity and to guard against even the appearance of impropriety, all County employees engaged in any vendor-related activity shall comply with the following standards of ethical conduct:

(a) County employees shall discharge their duties impartially to assure fair access to governmental procurement by responsible vendors and service providers and to foster public confidence in the integrity of the County procurement system.

(b) County employees shall not solicit, demand, accept or agree to accept a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement, specification, standard or contract.

(c) County employees shall not participate directly or indirectly in procurement when the employee knows that any of the following exists:

- The employee or any member of the employee's immediate family has a personal financial interest pertaining to the procurement.
- The employee, or any member of the employee's immediate family, has a personal financial interest in a business or organization involved in the procurement.
- The employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment with a person, business, or organization involved in the procurement.

### **2-6.1 GIFTS AND SPECIAL CONSIDERATION**

(a) County employees, officers, or officials by virtue of their positions shall not be entitled to any special consideration from vendors or merchants in their personal affairs nor shall they attempt in their official capacities to procure goods, supplies, equipment, or services for the private use of any other person, including any employee, officer, or official of the County.

(b) County employees shall not accept gifts, entertainment, or anything of more than nominal value from vendors or potential vendors. Examples of acceptable gifts might include pencils, scratch pads, calendars, other advertising supplies where such items can be shared at a public counter, or promotional items offered to such employees in their private capacity in the same manner as to any other member of the public.

(c) The acceptance of any gratuity in the form of cash, merchandise, or anything of value by an official or employee of the County from any vendor is a violation of County policy and may be cause for disciplinary action. The offer of any such gratuity to any official or

employee of the County by any vendor shall be cause for declaring such individual or firm to be an irresponsible vendor and debarring such vendor from bidding or otherwise doing business with the County. Such declaration, and any related appeals, shall be governed by the procedures set forth in Section 7 of this Policy.

**2-6.2 PRACTICES**

The County’s suppliers and their products, personnel and service are a natural extension of the County’s own resources. All County employees shall maintain the good name of the County and develop good relations between the County and its suppliers.

**2-6.3 CONFLICT OF INTEREST – ACTUAL OR POTENTIAL**

Upon discovery of an actual or potential conflict of interest, an employee shall promptly withdraw from further participation in the transaction involved. County Counsel should be consulted for an opinion whenever there is any question or even an appearance of conflict of interest.

**SECTION 3. GOODS, MATERIAL, SUPPLIES, AND EQUIPMENT**

(a) The purchase limits referred to in this section are for the purchase and rental of goods, material, supplies, or equipment only and do not include purchase limits for construction, technical, maintenance, professional, or other services.

(b) Splitting of purchases to avoid purchase limits or to avoid oversight by the Purchasing Division is strictly prohibited.

(c) Installation and assembly labor may be included, at Purchasing Agent’s discretion, on the same purchase order for which goods, material, supplies, or equipment is purchased.

(d) All federally funded purchases shall follow federal procurement standards set forth in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR § 200 *et seq.*).

**3-1 PURCHASES OF GOODS, MATERIAL, SUPPLIES AND EQUIPMENT UNDER \$5000**

(a) Departments may make direct purchases for transactions less than five thousand dollars (\$5000) per transaction, and when transaction is less than five thousand dollars (\$5000), no electronic requisition is required unless the Purchase Agent specifically requires electronic requisitions for specific categories of goods, material, supplies or equipment. For this matter, “transaction” is defined as any single purchased item; any group of items relating to one project purchased at the same time; or any group of items purchased from a single vendor at the same time; including all extra charges including, but not limited to, equipment service plans, warranties, sales or use tax, and delivery charges.

(b) Splitting of purchases to avoid purchase limits is strictly prohibited.

- (c) Competitive quotations are not required, but prudent buying techniques suggest contacting at least two or more vendors for a comparison of competitive prices.
- (d) Departments shall, before making a direct purchase, review the surplus inventory list, if available, to insure there is nothing in the surplus warehouse that can be utilized instead of making the purchase.
- (e) The Purchasing Agent may, at the Purchasing Agent's discretion, require blanket purchase orders for high volume or repetitive type purchases regardless of the value of each transaction.
- (f) The Purchasing Agent may, at the Purchasing Agent's discretion, require the use of requisitions and purchase orders for specific items or categories of items, regardless of dollar amount.
- (g) The Purchasing Agent may, at the Purchasing Agent's discretion, develop requirements for the information required to be documented or included with invoice entry payments.

**3-2 PURCHASE OF GOODS, MATERIAL, SUPPLIES AND EQUIPMENT OF \$5000 OR MORE**

- (a) With the exception of items otherwise provided for in this policy or for items specifically designated by the Purchasing Agent, the purchase of items equaling \$5000 or more shall be done via electronic requisition and purchase order. Departments shall obtain an electronic Purchase Order prior to placing an order with the vendor, except when a purchase is made pursuant to section 3-3, emergency purchases or other delegation.
- (b) A minimum of three competitive quotes or a sole source justification is required.
- (c) With the exception of Capital Assets, Department Heads, or designee, may be the final workflow approver of electronic requisition when the total cost of a requisition is less than ten thousand dollars (\$10,000).
- (d) The Purchasing Agent, or designee, shall be the final workflow approver of electronic requisitions for Capital Assets and when the total cost of a requisition is equal to or greater than ten thousand dollars (\$10,000).
- (e) The Purchasing Agent, or designee, shall be authorized to review and approve all requisitions prior to conversion to a purchase order.
- (f) The Purchasing Agent may, at the Purchasing Agent's discretion, require blanket purchase orders for high volume or repetitive type purchases regardless of the value of each transaction.

**3-3 EMERGENCY PURCHASES**

(a) Per Napa County Code Section 2.36.100, “emergency purchases may be made by any person or official authorized by the department head to sign requisitions when the Purchasing Agent, or any Purchasing Agent designee who is authorized to make purchases, is not immediately available and the item or items so purchased are immediately necessary for the continued operation of the office or department involved, or are immediately necessary for the preservation of life or property. Such emergency purchases shall be subsequently approved and confirmed by the Purchasing Agent, or, if the Purchasing Agent refuses confirmation, the Board of Supervisors may subsequently approve and confirm such purchase by four-fifths vote of the entire board. Unless such purchases are so approved and confirmed by either the Purchasing Agent or the Board of Supervisors, the cost thereof shall not constitute a legal charge against the county.”

(b) When an emergency purchase has been made, a requisition with a memorandum of justification, signed by the department head or authorized designee, shall be created as soon thereafter as reasonably feasible. Any quotations or proposals received, sole source justifications, and pertinent correspondence shall be retained for inclusion in the public record files.

(c) Because emergency purchases may not provide the County with an opportunity to either obtain competitive quotes or properly encumber funds committed, sound judgment must be used in keeping such orders to an absolute minimum.

(d) In the event of a declared emergency pursuant to Napa County Code, Chapter 2.80, the Emergency Services Director may perform any duty imposed upon them by virtue of the chapter.

(e) In the event of a declared emergency pursuant to Napa County Code, Chapter 2.80, the Purchasing Agent, or Purchasing Manager may waive the requirement for a memorandum of justification as required by Section 3-3(b) above.

(f) When a federal emergency declaration has been provided, all federally funded purchases shall follow federal procurement standards set forth in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR § 200 et seq.)

**3-4 SOLE SOURCE JUSTIFICATION**

(a) Sole source justification for the purchase of goods, material, supplies, or equipment is based upon any of the following:

- *One of A Kind*: Only known manufacturer of this product.
- *Uniqueness/No Substitution*: The requested product has unique design/performance specification or quality requirements which are essential to department operations and not available in comparable products.
- *Urgency/Timeliness*: Not sufficient time to obtain competitive quotes to meet required need or the vendor’s ability to meet critical timeframes for delivery.

- *Compatibility*: The requested product is an integral repair part or accessory compatible with existing equipment and the item/service can be obtained from only one vendor.
- *Software Upgrade*: Upgrade to existing software; available only from the producer of this software.
- *Inadequate Competition*: After solicitation of a number of sources, competition is determined inadequate.
- *Special Training*: The requested product is one with which staff have specialized training and/or extensive expertise. Retraining would incur substantial cost in time and/or money.

(b) No specifications for the purchase of goods, material, supplies, or equipment shall be written in such a manner as to limit bidding directly or indirectly, to any one specific vendor, or any on specific brand or product, except for those items that approved as standards, are exempt from competitive bidding requirements by law, or approved as a “sole source” purchase provide for in this policy.

(c) The Purchasing Agent may approve a sole source justification for any other reason that is determined, by the Purchasing Agent, to be in the best interest of the County. However, in the case that the County purchases any individual item costing more than ten thousand dollars (\$10,000) without securing competitive bids or quotations, the Purchasing Agent shall report such action to the Board of Supervisors pursuant to Napa County Code Section 2.36.090. Such report to the Board shall occur at least annually. The Purchasing Agent may require prior approval from the Board of Supervisors for any sole source request the Purchasing Agent receives. The Purchasing Agent, or designee, shall have the authority to approve a waiver of competitive procurement/sole source when the cost of any one single item is less than ten thousand (10,000) dollars.

### **3-5 LEASES**

#### **3-5.1 GOODS, MATERIAL, SUPPLIES AND EQUIPMENT**

(a) The Purchasing Agent shall approve all lease agreements for the lease of goods, material, supplies, and equipment.

(b) Purchasing shall provide a report, no later than thirty (30) days after the end of the fiscal year, of all leased equipment to the Auditor’s Office.

(c) Finance, Equity, and Open-Ended leases shall also require approval from the County Debt Committee and Board of Supervisors.

#### **3-5.2 REAL PROPERTY – WHEN COUNTY IS LESSEE**

(a) The Purchasing Agent Shall approve lease and licenses for the possession or use of real property when term does not exceed three years, monthly payment does not exceed \$7,500, and total payment during the term does not exceed \$50,000. (Napa County Code Section 2.36.040(J))

(b) The Purchasing Agent shall amend real property leases and licenses for improvements or alterations provided that the amendment does not extend the term of the lease or license and that no more than two amendments, not to exceed \$7,500 each, are made within a twelve-month period. (Napa County Code Section 2.36.040(K))

(c) Real property lease and license agreements and amendments to real property lease and license agreements that exceed the limits in Sections 3-5.2(a) or (b) shall be approved by the Board of Supervisors.

### 3-6 OFFER AND ACCEPTANCE

(a) The California Civil Code generally provides that a contract exists when there has been an offer and acceptance. Thus, the terms of an agreement to buy or sell are not fixed until offer and acceptance have been established.

(b) Written quotes submitted by prospective vendors are recognized as offers and purchase orders or contracts issued by the county serve as acceptance. When verbal quotes are accepted, the county's purchase order is considered an offer and acknowledgement or delivery by the vendor is considered acceptance.

### 3-7 SOLICITATION OF INFORMAL QUOTATIONS AND PROPOSALS

(a) Informal requests for quotations may be used for the purchase of off-the-shelf, catalog, or online items, materials, supplies, and equipment. Requests for quotations and requests for proposals may be conducted informally per the procedures established by the Purchasing Agent.

(b) Informal solicitations do not require a public bid opening, although the solicitation may require quotes or proposals be submitted by a specific date and time.

(c) Whenever possible, local vendors shall be contacted for the solicitation of informal quotations or proposals, see Section 3-12.

#### 3-7.1 INFORMAL REQUESTS FOR QUOTATIONS

(a) Award is made on the basis of lowest responsive and responsible offer submitted in response to the request for quotations.

(b) **Responsive quote.** A quote shall be considered responsive when the respondent has complied with the terms, conditions, provisions, specifications, instructions, and all other requirements of the request for quotations. The determination whether a bid is responsive is an administrative decision, which shall be made by the Purchasing Division after the receipt and evaluation of quotations.

(c) **Responsible Respondent.** A respondent is considered responsible when it has been established that the respondent has the technical capability, financial capacity, facilities, and manpower required to perform as outlined in the requirements of the solicitation. The

determination whether a respondent is non-responsible is an administrative decision, which shall be made by the Purchasing Division in consultation with County Counsel. Any determination that a respondent is non-responsible shall be documented by the Purchasing Division along with the reasons for making such a determination.

### **3-7.2 INFORMAL REQUESTS FOR PROPOSALS**

(a) Informal written, emailed, or facsimile Request for Proposals (RFP) may be used for the purchase of goods when “best value” cannot be determined by price alone, when there is uncertainty as to specifications, or when requirements such as vendor reputation, expertise, and performance suggest that the county’s interests would be best served by procuring the goods on a “best value” basis.

(b) The RFP shall describe the product to be delivered, along with the scope of work to be performed should the product need assembly or installation, and shall clearly identify the proposal evaluation criteria, the award process, and any special provisions or conditions.

(c) Informal RFPs do not require public notice or the submission of sealed proposals. After proposals have been submitted, the requisitioning department shall evaluate the proposals submitted in response to the RFP within the guidelines developed by the Purchasing Division. Award shall be made to the respondent whose proposal is determined to provide the “best value” to the county on the basis of the evaluation criteria identified in the RFP.

(d) The Purchasing Agent, or Purchasing Agents designee, shall determine that the use of informal RFP is practical and advantageous for the county before an informal RFP may be issued.

### **3-7.3 ORAL PURCHASE COMMITMENTS**

County Staff shall not make any oral commitment to purchase without obtaining prior approval from the Purchasing Agent or the Assistant Purchasing Agent.

## **3-8 FORMAL COMPETITIVE PROCUREMENT PROCEDURES**

(a) Formal requests may be obtained either through:

- *Invitation for Bids (IFB)*. This requires a detailed purchase description including acceptance criteria and all contractual terms and conditions applicable to the procurement. See Section 5-3, Invitation for Bids.
- *Request for Proposals (RFP)*. This is used to initiate competitive, sealed proposals for procurements. The significant difference between an RFP and an IFB is that in an RFP the award may be negotiated. See Section 5-1, Request for Proposal.

(b) Whenever possible, local vendors shall be contacted for the solicitation of formal bids or proposals.

**3-9 PROCEDURES FOR PURCHASING CAPITAL ASSETS**

(a) Capital assets must be approved by the Board of Supervisors and appropriated in the respective departmental budget prior to the creation of an electronic requisition. Capital Assets are defined as those items of equipment that cost Five Thousand Dollars (\$5,000) or more and have a useful life greater than one year.

(b) Departments may not purchase capital assets independently. Electronic requisitions with workflow approval must be utilized for the purchase of all capital assets, and requisition must include documentation citing approval from the Board.

(c) Departments wishing to purchase an alternate capital asset in lieu of a capital asset previously authorized by the Board of Supervisors shall submit a request to the County Executive's Office, and the County Executive Officer or designee shall be authorized to approve a replacement that is similar in nature, with the same intent and purpose, as the originally approved capital asset. Dependent upon the nature, intent, and intended use of the alternate, subsequent Board approval may be required. Documentation of the approved alternate must accompany the requisition when submitted to the Purchasing Division.

**3-10 RECEIVING**

(a) Departments shall be responsible for the timely inspection, acceptance, or rejection of all deliveries of goods, supplies, material, or equipment shipped directly to them.

(b) Each requisition and purchase order shall designate the place or places at which the ordering department intends to receive and inspect the goods delivered.

(c) Receiving departments shall avoid accepting any merchandise being delivered until adequate identification from the packaging or delivery tags is obtained. A purchase order number, or blanket purchase order release number indicating that the merchandise should be delivered to the department should be evident before accepting the shipment.

(d) Receiving departments shall inspect the merchandise carefully and immediately after receipt. Inspection of items received and determination of compliance with the ordering description or specifications is the responsibility of the receiving department. If there is damage from shipping, or if the merchandise is otherwise unsatisfactory and not what was ordered, the receiving department shall contact the vendor immediately.

(e) Departments are obligated to accept merchandise that has been ordered if it is undamaged and complies with the purchase order. If there is a change of need for the items, the vendor should be contacted immediately to make other arrangements. There may be a restocking charge if the items must be returned through no fault of the supplier.

(f) If inspection reveals that the delivery does not conform to the quantity or quality specified, the vendor should be notified immediately that the delivery has been rejected. Rejection must be made within reasonable time after delivery.

(g) After determining that the goods, supplies, materials, or equipment received are of approved quantity and quality, the department shall complete a record of receipt and process invoice for payment. Record of receipt for purchases processed via electronic requisition and purchase order shall be made via electronic record in the ERP system.

### **3-11 PAYMENT OF PURCHASE ORDER**

(a) Each department shall take necessary steps to ensure that the person or persons taking receipt of deliveries and approving purchase orders for payment shall be distinct and separate from the person or persons approving the purchase requisition.

(b) Departments shall not process an invoice for payment of goods or services that have been obtained through a purchase order generated in the County's ERP system without proper notation of purchase order number.

### **3-12 LOCAL VENDORS PRICE PREFERENCE - GOODS, MATERIAL, SUPPLIES AND EQUIPMENT**

(a) Per Napa County Code Section 2.36.095, when purchasing goods, materials, supplies, equipment or vehicles, the purchasing agent shall apply a local vendor price preference of five percent on all informal and formal quotes. This section shall not apply to public construction agreements, or where otherwise prohibited by law.

(b) For purposes of this section, "local vendor" means a firm or individual who regularly maintains a place of business and has an inventory of merchandise for sale or distribution within Napa County, and "price" means the dollar amount of the quote. Application of the price preference shall not preclude the purchasing agent from approving the purchase of goods, materials, supplies, equipment, and vehicles based on factors other than price.

## **SECTION 4. REQUISITIONS AND PURCHASE ORDERS**

(a) Departments shall contact the Purchasing Division early in their purchase process to benefit from advice and assistance regarding specifications, sources of supply, price advantage, substitutions, and a determination of each department's precise needs.

(b) Departments may obtain requisitions on their own and shall create electronic requisitions for all purchases pursuant to sections 2-1(e), 2-3.1.2, 3-1, and 3-2. Requisitions shall process through an electronic workflow approval process, and once approved shall be considered for conversion to a purchase order.

(c) The purchase requisition should be realistic when specifying a delivery date. Commonly used items must be clearly described by their popular names, supplemented by number, size, style, or other identifying data.

- (d) When requesting the purchase of specialized items, the department must exercise care to avoid using a description or specification which describes the product by manufacturer only. If a department believes that only a specific manufacturer's brand product can meet its needs, then the purchase requisition must expressly state that along with substantiation of the need for that particular product.
- (e) Whenever possible the department shall obtain quotes from local vendors.
- (f) The requesting department shall, before creating a purchase requisition, review the surplus inventory list, if available, to insure there is nothing in the surplus warehouse that can be utilized instead of making the purchase.
- (g) Items shall be ordered in quantities sufficient for a reasonable period and consistent with future needs and available storage space.
- (h) Each department shall take necessary steps to ensure that the person or persons authorized to sign a purchase requisition shall be distinct and separate from the person or persons approving a purchase order invoice for payment.
- (i) Upon discretion of the Purchasing Agent, purchase requisitions for designated commodities must be reviewed and pre-approved by designated departments or Department Heads as assigned by the Purchasing Agent.
- (j) The purchase order form shall be created electronically and shall be an integral part of the County's on-line financial system. The Purchase Order shall authorize the vendor to ship and invoice for goods, supplies, material, equipment, and related services as specified; and creates a legal contract between the County and a vendor for the specific item(s) stated on the face of the purchase order at the price(s) and delivery information shown.
- (k) The Purchasing Division may combine needs for various departments into one purchase order or create several purchase orders to different vendors from one purchase requisition.

#### **4-1 SPECIFICATIONS**

- (a) Departments shall ensure specifications are non-restrictive and clearly describe the required items in terms of functional performance.
- (b) Specifications shall not be written in a manner which artificially limits the vendor pool.
- (c) If a department believes that only a specific make and model will meet its needs, the department shall attach an objectively written explanation which calls out the unique features of the sole source item and which states why these features are required. If other

brands and models have been tested or used previously, the department shall specify the brands and models used, and why they are unacceptable.

(d) The Purchasing Division may return the requisition for additional justification for a specific brand which appears to be unreasonably restrictive, luxurious, or otherwise inappropriate for the product. The Purchasing Division shall assist, upon request, in the preparation of specifications.

(e) When brand names are specified, the words “or approved equal” shall be added unless compelling reasons make only the single brand acceptable, in which case a written sole source justification must be signed by the department head, or designee, and submitted with the purchase requisition to the Purchasing Division.

(f) Use of a brand name as part of “approved equal to” specifications shall be for the sole purpose of describing the standard of quality, performance, and functional (including aesthetic) characteristics the County desires and not be intended to limit or restrict competition.

(g) Using specifications provided by a specific manufacturer should be avoided if possible, but if used, the name of the manufacturer, model number, etc. should be indicated with a statement that use of the manufacturer’s specifications is for the sole purpose of establishing “approved equal” criteria. When the specifications designate “or approved equal”, the Purchasing Division reserves the right to determine and approve any other as being equal or acceptable, subject to concurrence and approval of the requisitioning department.

#### **4-1.1 MERCHANT CONTACT AND ASSISTANCE IN WRITING SPECIFICATIONS**

(a) Departments that contact merchants for information, including operational or budgetary information shall inform the merchant that the information requested is for planning purposes only and is not a Request for Quotations or an Invitation for Bids.

(b) When merchant assistance is required in developing specifications, such specifications must be written in general terms and be performance based. The merchant shall be clearly informed that the information provided may be used in developing specifications for a competitive procurement process and that the fact of the merchant’s involvement in the specification development process may be disclosed as part of the quotation or bid solicitation process.

(c) Merchant involvement with creation of specifications could prohibit County from purchasing the product for which the merchant helped write the specifications, because of a conflict of interest under Government Code Section 1090.

**4-1.2 REVIEW OF SPECIFICATIONS**

(a) The Purchasing Division is ultimately responsible for ensuring that specifications are consistent with County Policy and Procedure and to that end shall review the specifications for completeness of information, terms and conditions, insurance/risk management, mandated requirements, and language consistent with the County's established purchasing procedures.

(b) Each department shall furnish complete and accurate specifications to the Purchasing Division for review.

(c) To assure that the specifications and terms meet County needs, the Purchasing Division may request the specifications be reviewed by pertinent County staff (e.g., County Counsel, Risk Management, Information Technology Services) before incorporation into any bid or quotation process.

**4-2 TYPES OF PURCHASE ORDERS**

**4-2.1 NORMAL PURCHASE ORDER**

A normal purchase order (PO) is a purchase agreement and shall be for a specific one-time purchase of goods, supplies, material, equipment, and related; and must be signed by the Purchasing Agent or the Purchasing Agent's Designee.

**4-2.2 BLANKET PURCHASE ORDER**

(a) A blanket purchase order (BPO) is a purchase agreement and shall cover a specific period of time, and/or a specific total dollar amount for the purchase of goods and supplies, and/or a specific quantity of goods and supplies. A BPO shall be established via the same electronic requisition to purchase order process as normal purchase orders.

(b) All policies set forth in all other sections of the Purchasing Policy apply to a BPO, except as otherwise established in this section. A "release order" or authorization to buy shall be issued against the BPO to the vendor and may be issued by the Purchasing Division or directly by the ordering department.

(c) The establishment of a BPO shall be approved by the Purchasing Agent or the Purchasing Agent's Designee prior to creation of an electronic requisition.

(d) Only authorized County departments or the Purchasing Division on behalf of the authorized department may make purchases against a particular BPO. Within a department, only authorized employees may make purchases under the department's blanket purchase authority.

(e) BPOs may be established with two or more vendors for the procurement of the same goods in the discretion of the Purchasing Agent or designee, though purchases should be

made from the BPO offering the best price or other objective criteria established by the Purchasing Agent to avoid favoritism.

(f) Unless otherwise specified, no minimum dollar expenditure shall be required. However, a maximum expenditure authorization shall be set by the Purchasing Agent or Designee for each BPO approved. No single transaction may exceed the dollar limit established on the BPO.

(g) The Purchasing Agent may, at the Purchasing Agent's discretion, require BPOs for high volume or repetitive type purchases regardless of the value of each transaction.

(h) The Purchasing Agent may establish a list of prohibited goods or services that may not be purchased via a BPO.

#### **4-3 RECORD RETENTION**

Pursuant to California Government Code Section 25501.5, all requisitions and related procurement documents shall be retained for a period of not less than three (3) years unless State or Federal law, or County document retention policy prescribes a longer period.

#### **4-4 EXCEPTIONS TO USING PURCHASE ORDERS**

(a) The Purchasing Agent or the Purchasing Agent's Designee may create a document for departmental use in tracking and monitoring purchases not made via purchase order. If such document is created, departments shall use said document in to track, monitor, or otherwise create an audit trail to control purchases. When no document is created by the Purchasing Agent or Designee, Departments shall develop a system for monitoring and tracking purchases not made via purchase order.

(b) Where an expedited purchase is essential, departments may request authorization to make a direct purchase. Such authorization may be granted, at the discretion of the Purchasing Agent or the Purchasing Agent's Designee, if the situation is determined to be of such an urgent nature that the required purchase cannot be completed through the normal procurement process.

(c) The Purchasing Agent may designate specific items or categories of items for which the use of requisitions and purchase orders are not required.

#### **4-5 ENCUMBRANCE OF PURCHASE ORDERS**

(a) The actual total cost of the purchase order will be encumbered at the time an electronic requisition is created.

(b) Departments are responsible for assuring that sufficient funds are allocated to the appropriate account to allow a requisition to be created.

**4-6 DISTRIBUTION OF PURCHASE ORDERS**

Departments shall distribute a copy of the purchase order to the vendor.

**4-7 CHANGING PURCHASE ORDERS**

(a) A department desiring a change a purchase order shall revise the electronic purchase order and the electronic change order shall route through electronic workflow for approval.

(b) Requests to cancel a purchase order shall be approved at a workflow level no lower than the level of approval.

**SECTION 5. FORMAL SOLICITATIONS [REQUEST FOR PROPOSALS, REQUEST FOR QUALIFICATIONS, AND INVITATION FOR BIDS]**

**5-1 COMPETITIVE SEALED PROPOSALS – REQUESTS FOR PROPOSALS**

Solicitation of competitive sealed proposals (RFPs) is used when exact specifications, approach to scope of work, risks, and procedures are not all known, or where it is advantageous to the County to purchase the best value for goods or services as opposed to low bid. Experience, qualification, and solutions are drivers for overall value and are generally ranked above price.

**5-1.1 MERCHANT CONTACT AND ASSISTANCE IN WRITING SPECIFICATIONS**

(a) Departments that contact merchants for information, including operational or budgetary information shall inform the merchant that the information requested is for planning purposes only and is not a Request for Proposal.

(b) When merchant assistance is required in developing specifications, such specifications must be written in general terms and be performance based. The merchant shall be clearly informed that the information provided may be used in developing specifications for a competitive procurement process and that the fact of the merchant’s involvement in the specification development process may be disclosed as part of the quotation or bid solicitation process.

(c) Merchant involvement with creation of specifications could prohibit County from purchasing the service for which the merchant helped to write the specifications, because of a conflict of interest under Government Code Section 1090. Direct merchant involvement in the development of specifications at the department level without the prior authorization of the Purchasing Division is prohibited.

**5-1.2 CONDITIONS FOR USE**

Purchases shall be awarded by competitive sealed proposals when required by law or when, in the estimation of the Purchasing Agent, the use of competitive sealed proposals is deemed appropriate.

**5-1.3 EVALUATION PHILOSOPHY**

(a) Requests for Proposals shall be as objective as possible, clearly describe the procurement process, and identify the evaluation criteria so that the procurement process and the evaluation criteria can be easily understood by the prospective respondents, the evaluation panel, and the awarding officials. Sufficient records should be generated and retained to allow a post award review by an impartial party.

(b) The evaluation process is to screen proposals to determine the proposal that provides the best value to the County and to then enter final negotiations with the respondent who submitted that proposal.

**5-1.4 EVALUATION PANEL**

(a) An evaluation panel shall be formed to review all proposals and document all findings and recommendations. The panel should have at least three members and may consist of a representative of the Purchasing Division and others appointed by the initiating department head or the County Executive Officer. The evaluation committee may include persons who are not County employees but have experience or expertise to contribute. Such non-county employees shall abide by the ethical standards set forth in Section 2-6.

(b) The evaluation panel should be selected and a procurement schedule should be drafted prior to soliciting proposals.

**5-1.5 EVALUATION CRITERIA**

The RFP's evaluation criteria will be determined by the scope of work to be performed, the services to be provided, and any other relevant factors that may influence the decision to award a contract such as qualifications and experience.

**5-1.6 PROCEDURES FOR REQUEST FOR PROPOSALS**

The Purchasing Agent, or Designee, shall establish procedures for the issuance of RFPs, including the creation of a procedural checklist.

**5-1.7 PUBLIC NOTICE**

(a) Adequate public notice of the Request for Proposals (RFP) shall be given prior to the date set for the opening of proposals by conspicuously posting a notice advertising the RFP in the Purchasing Division office, in an area of the County Administration Building which is available to the public during county business hours, on the County's website, or by advertisement in a newspaper of general circulation, published in Napa County. Notice must specify the place where the copies of the Request for Proposals are on file, and time and place for receipt of the proposals.

(b) All RFPs for competitive sealed proposals shall be posted on the County's Web Page. Providing potential proposers with direct notification of the RFP is encouraged.

**5-1.8 RECEIPT, OPENING, AND RECORDING OF PROPOSALS**

(a) Proposals shall be submitted in a sealed envelope identified by proposal number and title. Upon receipt, proposals shall be marked with the date and time of receipt and shall be stored in secure place until the date and time set for the opening of proposals. Proposals received after the advertised closing date and time will be considered non-responsive and will be rejected.

(b) As an alternative to the requirements of section 5-1.8(a), the County may allow for the electronic submission of proposals if the requirements of California Public Contract Code Section 1601 are met.

(c) On the date established in the RFP, the proposals shall be opened either in the Purchasing Division or at the location specified in the RFP. Because the winning proposal is not determined solely by lowest price, they will not be opened in public. Proposals are public records, but they may be withheld until no later than an award recommendation has been made if releasing the proposals earlier will compromise the County's position during contract negotiations.

(d) Each proposal must contain an original signature of a party authorized to act as an agent of the offeror.

(e) Proposal information, including the company name of the offeror, the presence of addenda and exceptions, pricing information, and any other pertinent information will be recorded on abstract of proposals, which shall be signed by the opener.

**5-1.9 EVALUATION OF PROPOSALS**

(a) The Purchasing Division and/or the issuing department shall review proposals to make sure the entire minimum, mandatory, and administrative requirements for the RFP are met. Those proposals not meeting the minimum, mandatory, and administrative requirements may be determined to be non-responsive and given no further consideration.

(b) Those proposals remaining after the initial review will then be forwarded to the evaluation panel for in-depth evaluation as set forth in the Request for Proposal. Evaluation of proposals will be made by the panel, who will note any exceptions and record each proposal's scores based on the established criteria. Scores shall be summarized and recorded when the evaluations have been completed.

**5-1.10 DISCUSSIONS WITH OFFERORS AND REVISIONS TO PROPOSALS**

(a) Discussions may be conducted with respondents who have submitted proposals determined to be reasonably susceptible of being selected for award, to clarify any

inconsistencies or ambiguities in the proposals. In conducting discussions, there shall be no disclosure of information derived from proposals submitted by competing respondents.

(b) The respondents selected for further discussions shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submission and prior to award for the purpose of obtaining best and final offers.

#### **5-1.11 CONTRACT NEGOTIATION**

(a) Once discussions with the respondents have been completed, the panel shall make a quantified evaluation of the proposals under consideration and shall rank the proposals accordingly. The evaluation panel shall then make a written award recommendation, which documents the reasons the top-rated proposal has been selected. After the panel has made an award recommendation, the specific terms and conditions of the contract shall be negotiated with the respondent's representatives by the Purchasing Agent or their designee, or by the Department of Primary Interest. Unless contract award will be a multi-award contract, negotiations shall not take place with more than one vendor at a time.

(b) There are specific items that must be included in the contract language and others which may be added in the negotiation process. It should be noted that contract language may not be added which materially changes the requirements of the request for proposal or the successful responding proposal.

(c) The original RFP and the respondent's proposal will be made part of the contract. The county's general insurance requirement and the final proposal are always included as an integral part of the contract. If not clearly defined in the proposal, the contract must include a cost and payment schedule as well as a specific implementation schedule for completion of services. Depending upon the final negotiated total contract amount, the contract may require approval by the Board of Supervisors.

#### **5-1.12 INTENT TO AWARD**

When negotiations have been completed, the Purchasing Division, and/or the originating department, shall notify in writing all respondents that submitted proposals of the award recommendation and the proposed award date. Award recommendation shall be provided to all RFP respondents and sent at least 7 calendar days prior to contract approval, except that any RFP publicly posted before the effective date of this policy shall retain a 5-day notice period pursuant to the January 2011 Purchasing Policy.

#### **5-1.13 RECORDS**

Departments shall create and retain a summary record for each RFP originating in their department and shall make it available for public inspection. The summary shall identify the successful respondent and include the date of the award, contract number, the company names of the respondents, the dollar amount of their proposals, and a brief description of the commodity or service being purchased.

**5-2 COMPETITIVE SEALED PROPOSALS – REQUESTS FOR QUALIFICATIONS**

(a) Requests for Qualifications (RFQs) are used to solicit competitive sealed statement of qualifications (SOQs) when required by law (see Section 6-3.1), when qualifications are determined to be the deciding factor in contractor selection, or as a precursor to an RFP process. Exact specifications, approach to scope of work, risks, fees, and procedures are generally unknown.

(b) The procedure for RFQs is the same as for RFPs in Sections 5-1.1 through 5-1.13, omitting any references to best value or cost. An evaluation panel is established to review and score the SOQs. Cost is negotiated with the firm determined to be most qualified to perform the services.

**5-3 COMPETITIVE SEALED BIDDING – INVITATION FOR BIDS**

Purchases shall be awarded through competitive sealed bidding when required by law or when, in the opinion of the Purchasing Agent, the use competitive sealed bidding is deemed appropriate and suitable.

**5-3.1 PUBLIC NOTICE**

(a) Adequate public notice of the Invitation for Bids (IFB) shall be given prior to the date set for the opening of proposals by conspicuously posting a notice advertising the IFB in the Purchasing Division office, in an area of the County Administration Building which is available to the public during county business hours, on the County’s website, or by advertisement in a newspaper of general circulation, published in Napa County. Public notice must specify the place where the copies of the IFB are on file, and time and place for receipt of the proposals.

(b) All IFBs, or any other competitive purchasing opportunity for service or construction project, shall be posted on the County’s Web Page. Providing potential bidders with direct notification of the IFB is encouraged.

**5-3.2 PREPARATION OF BID SPECIFICATIONS**

Bid Specifications shall:

- Be clear, definitive, and concise to enable prospective bidders a basis on which to submit bids.
- Be written to allow for competitive purchase of goods, supplies, material, equipment, and services; and not to exclude all but one type or kind.
- Not call for features or a level of quality not required for the intended use, except in cases where such features or the level of quality are essential for some future consideration or result in overall economic advantage to the County.
- Describe the performance requirements rather than its formulation, description, or design.
- Be prepared to permit free and full competition (“or equal”) as is reasonably possible under the attendant circumstances.

**5-3.2.1 MERCHANT INVOLVEMENT**

(a) Merchant involvement with creation of specifications could prohibit the County from purchasing the service for which the merchant helped to write the specifications, because of a conflict of interest under Government Code Section 1090. Direct merchant involvement in the development of specifications at the department level without the prior authorization of the Purchasing Division is prohibited.

(b) Departments that contact merchants for information, including operational or budgetary information shall inform the merchant that the information requested is for planning purposes only and is not an Invitation for Bids.

(c) When merchant assistance is required in developing specifications, such specifications must be written in general terms and be performance based. The merchant shall be clearly informed that the information provided may be used in developing specifications for a competitive procurement process and that the fact of the merchant's involvement in the specification development process may be disclosed as part of the quotation or bid solicitation process.

**5-3.2.2 RESTRICTIVE SPECIFICATIONS**

The County must be able to demonstrate a clear reason for any restrictive specifications.

**5-3.2.3 OTHER CONSIDERATIONS**

Specifications must state whether criteria other than cost will be considered in awarding the purchase order or contract.

**5-3.3 BID DOCUMENTS**

**5-3.3.1 COPIES OF DOCUMENTS**

(a) Bidders may obtain complete sets of bidding documents and deposit amounts as applicable from the Purchasing Agent as set forth in the IFB.

(b) Bidders shall use complete sets of bidding documents in preparing bids. The County will not assume any responsibility for errors or misinterpretations resulting from the use of incomplete sets of bidding documents.

**5-3.3.2 INTERPRETATION OF DOCUMENTS**

(a) All bidders shall promptly notify Purchasing of any ambiguity, inconsistency, or error that they may discover upon examination of the bidding documents.

(b) Bidders requiring clarification or interpretation of the bid documents shall make a written request of the Purchasing Division as specified in the bid document.

(c) Any interpretation, correction or change of the bidding documents will be made by addendum issued by the Purchasing Division. Interpretations, corrections, or changes of

the bidding documents made in any other manner will not be binding, and bidders shall not rely upon such interpretations, corrections, and changes.

(d) Requisitioning departments must notify Purchasing prior to bid opening if it becomes aware of a need for correction or clarification of a bid specification.

#### **5-3.4 SUBSTITUTIONS**

(a) Materials, products, and equipment described in the bidding documents shall establish a standard of required function, dimension, appearance, and quality to be met by any proposed substitution. The burden of proof of merit of any proposed alternate or substitute is on the bidder.

(b) Non-solicited alternates may be considered for award if submitted by the bidder who would otherwise be the low bid.

(c) Each substitution proposed shall include the name of the material or equipment for which it is to be substituted and a complete description of the proposed substitute. Drawings, cuts, performance specifications, test data and other information necessary for an evaluation shall be submitted by the bidder with the bid offered. A statement setting forth any changes in other materials or equipment resulting from incorporation of the substitution shall be included.

(d) The County's decision of acceptance of a substitute shall be with requisitioning department concurrence and approval. The County's decision of approval or disapproval of a proposed substitution shall be final.

(e) No substitutions will be considered after the purchase order or contract has been issued.

#### **5-3.5 BID ADDENDA**

(a) Addenda will be mailed or delivered to all that are known by the Purchasing Division to have received a complete set of bidding documents. Copies of addenda will be made available for inspection wherever bid documents are on file for that purpose.

(b) No addenda will be issued later than four working days prior to the date for receipt of bids, except for an addendum withdrawing the request for bids or one that includes postponement of the date of receipt of bids.

(c) Each bidder shall be responsible for ascertaining prior to submitting a bid that he has received all addenda issued. Bidders shall sign and submit all required addenda to receive award consideration unless otherwise indicated in the bid document.

#### **5-3.6 BIDDERS' CONFERENCE**

Any pre-bid conferences shall be announced in the Invitation for Bids

**5-3.7 PROCUREMENT SCHEDULE AND BID OPENING DATE**

Each Invitation for Bids shall be assigned a bid opening date and time by which bids must be received to be considered. This date shall provide sufficient time to allow prospective bidders opportunity to prepare bid documents.

**5-3.8 FORM OF BID**

(a) To receive consideration, bids shall be made on the forms and in the manner set forth in the Invitation for Bids.

(b) Bids received after the date and time advertised for opening will be considered non-responsive and will be rejected.

(c) Each bid must be completed in ink, typewritten or computer generated, and all changes and/or erasures must be initialed in ink. Each bid must be signed in ink by an authorized representative of the firm and include the legal name of the bidder and a statement of non-collusion signed by the bidder.

(d) Bidders shall not change the bid form nor make additional stipulations on the bid form which are not consistent with the provisions of the specifications.

**5-3.9 BID SECURITY**

(a) At the discretion of the Purchasing Agent, a bid bond or bid deposit (certified or cashier's check) made payable to the County of Napa may be required to protect the County. A required bid bond or bid deposit must be submitted with the bid and be in the amount as specified in the Invitation for Bid.

(b) In the event an otherwise low bidder is allowed to withdraw a bid due to claim of error, the County may retain the bid guarantee to offset its costs of administrative handling of the bid.

(c) Bid deposits, except those of the lowest bidder, should be returned as soon as practical following the bid opening and checking of bids. A bid bond is only enforceable if the bidder submits the lowest bid, so bid bonds submitted by other bidders need not be returned. The bid deposit of the lowest bidder should be retained until the contract or purchase order has been executed and approved and any performance bond and certificate of insurance provided, at which time the bid deposit will be released except where forfeited. However, the bidder's deposits of the second and third lowest responsible bidders may be retained until the contract has been fully executed and insurance certificates are obtained. The cash, cashier's checks, and certified checks submitted by all other unsuccessful bidders shall be returned to them within ten calendar days after the receipt of bids.

**5-3.10 RECEIPT OF BIDS**

(a) All bids must be received sealed in an envelope prior to the time specified in the IFB. Bids must be promptly date/time stamped and deposited unopened in the respective bid folder; they should not be left unattended.

(b) As an alternative to the requirements of section 5-3.10(a), the County may allow for the electronic submission of bids if the requirements of California Public Contract Code Section 1601 are met.

(c) Late bids will not be opened and will not be considered under any circumstances. A late bid will be date-stamped and promptly returned unopened to the bidder accompanied by a letter notifying the bidder that the bid was received late and was not considered. A copy of the rejected bid envelope and the letter will be retained in the bid file. Late bids received without a return address on the envelope will be date/time stamped upon receipt and retained in the bid file unopened.

**5-3.11 BID OPENING**

(a) All bid openings shall be opened publicly by the Purchasing Agent or designee in the presence of one or more witnesses at the time and place designated in the IFB, or as soon thereafter as is possible. The only information that will be read aloud is the information that will be recorded in the bid abstract. Details of any bid's exceptions or nonconformance will not be read in public, but the fact of their existence will be publicly noted. Actual bid documents will not be examined by bidders or the public at the bid opening. The County assumes no responsibility for the confidentiality of bid information unless specifically stated otherwise in the IFB.

(b) The following information shall be recorded in the bid abstract, which shall be signed by the opener and witness:

- The bidders' company name and location, bid prices, the presence of addenda and exceptions, other pertinent information such as delivery terms, promised delivery date, and payment terms.

**5-3.12 CORRECTION AND WITHDRAWAL OF BIDS**

**5-3.12.1 GENERAL RULE**

No change or correction may be permitted that would prejudice the interest of the public or be unfair to other bidders.

**5-3.12.2 WAIVING BID DEFECTS**

A bid which substantially conforms to an IFB may, though it is not strictly responsive, still be accepted if the variance cannot have affected the amount of the bid or given a bidder a competitive advantage not allowed other bidders. The IFB should contain provisions allowing the county to waive such inconsequential deviations or informalities

and accept the bid that appears to be in the best interest of the county. County Counsel can assist in determining whether a defect in a bid may be waived as inconsequential.

#### **5-3.12.3 BID WITHDRAWAL PRIOR TO THE BID OPENING**

Prior to bid opening, mistakes in bids detected by a bidder may be corrected or a bid withdrawn upon a bidder's written request signed by an authorized representative of the bidder and received by the Purchasing Division. Such request may be transmitted via email, physical mail, or hand-delivery. Oral or telegraphic transmission shall not be permitted. The original withdrawn bid(s) shall not be returned until after the bid opening; at which time they shall be returned unopened.

#### **5-3.12.4 JUDGMENTAL ERRORS**

(a) A bid may not be withdrawn as the result of a mistake attributable to the bidder's error in judgment, such as errors in estimating quantities or effort needed or carelessness in inspecting the site of the work or in reading the plans or specifications.

(b) Clerical errors are not errors in judgment. Clerical errors are often transcription errors in filling out the bid sheet that are not apparent by reviewing the bid, such as including the wrong amount from a subcontractor. Mathematical errors apparent on the face of a bid are generally not considered clerical errors because the IFB should include language on how mathematical errors are resolved. Bid withdrawal by reason of clerical error is allowed.

#### **5-3.12.5 CORRECTING MISTAKES IN BIDS**

During or after bid opening, mistakes detected in bids may not be corrected by the bidder. Mathematical errors apparent on the face of a bid are generally resolved according to directions included in the IFB. Information that is missing from a bid may be provided by the bidder after bid opening if the missing information does not affect the amount of the bid or give a bidder a competitive advantage not allowed other bidders.

#### **5-3.12.6 CONFIRMATION OF BID**

(a) When the Purchasing Division knows or has reason to believe that a mistake has been made in a bid, the bidder should be requested to confirm the bid. Situations where confirmation should be requested include obvious or apparent errors in the bid documents or a bid unreasonably lower than other bids. Such confirmation shall be requested and received in writing, and facsimile copies will suffice for request and receipt of confirmation.

(b) Purchasing shall maintain complete and sufficient records of evidence used to establish an error and intended price. Records of bid withdrawals shall also be maintained to ensure there is no abuse of the competitive bidding process. All decisions to permit the waiver of bid mistakes and the withdrawal of bids shall be made in writing, approved by Purchasing Division, and retained in the bid file.

**5-3.13 BID EVALUATION**

(a) The IFB shall set forth the evaluation criteria to be used and bids shall be evaluated based on the requirements set forth in the IFB. Any criteria that affect price shall be objectively measurable.

(b) Departments shall maintain complete and sufficient records of bid evaluations to ensure that there is no abuse of the competitive bidding process.

(c) The justification for an award recommendation shall be made in writing by the Purchasing Agent or his designee and retained in the bid file.

**5-3.14 RESERVATION OF RIGHT TO REJECT BIDS AND/OR REQUIRE REBID**

(a) Every bid must be carefully examined to determine whether it contains a material variance. Any bid that contains a material variance must be rejected. A material variance is a variance that gives the bidder a substantial benefit or competitive advantage not enjoyed by the other bidders. Prior to any rejection for a material variance, County Counsel shall be consulted.

(b) The County reserves the right to reject any or all bids and may waive any irregularities or informalities in any bid when, after consideration of all relevant circumstances, such action is considered in the best interest of the County.

(c) The County may:

- Reject a bid not accompanied by any required bid security or by other data required by the bidding documents.
- Reject a bid that is in any way incomplete, irregular, unbalanced or otherwise not in compliance with the bid documents in all material respects.
- Waive any informality, irregularity, immaterial defects, or technicalities, in any bids received.
- Cancel an Invitation for Bids or reject all bids for any of the following reasons:
  - Inadequate or ambiguous specifications.
  - Specifications have been revised.
  - Supplies or services are no longer needed; change in County requirements.
  - All bids deemed unreasonable.
  - Bids were not independently arrived at or were submitted in bad faith.
  - A determination is made that all the necessary requirements of the bid process have not been met.
  - Insufficient competition.
  - For other reasons which indicate the cancellation or rejection of all bids is clearly and demonstrably in the best interest of the County.
  - Insufficient funds have been budgeted for the purchase.

(d) Purchasing shall maintain complete and sufficient written records of bid rejections and cancellations to ensure that there is no abuse of the bidding process. All reasons for rejecting a bid shall be retained in the bid file.

### **5-3.15 BID AWARD**

Bid award shall be made to the lowest responsive and responsible bidder. All awards shall be made by written notice to the successful bidder and shall be promptly made public information.

#### **5-3.15.1 RESPONSIVE BID**

A bid shall be considered responsive when the bidder has complied with the terms, conditions, provisions, specifications, instructions, and all other requirements of the Invitation for Bids. The determination whether a bid is considered responsive an administrative decision and shall be made by the Purchasing Agent or their designee.

#### **5-3.15.2 RESPONSIBLE BIDDER**

(a) A bidder is considered responsible if they have the qualifications, fitness, and capacity to satisfactorily provide what is required in the Invitation for Bids. Any relative superiority among bidders does not make lesser bidders not responsible. Generally, any bidder is responsible if they can meet all the requirements of the Invitation for Bids and successfully complete the transaction.

(b) The determination whether a bidder is non-responsible is an administrative decision, which shall be made by the Purchasing Division in consultation with County Counsel. Any determination that a bidder is non-responsible shall be documented by the Purchasing Division along with the reasons for making such a determination. A bidder who is determined to be non-responsible has the right to contest that determination and present evidence at a hearing that they are qualified to perform the contract (see Section 7-6).

### **5-3.16 CANCELLATION OF BID AWARD**

Failure on the part of the successful bidder within the time allowed to execute the contract or comply with any other requirement that is imposed precedent to execution of the contract shall be considered just cause for cancellation of the award and forfeiture of the bid security, not as a penalty, but in liquidation of certain damages sustained. Contract award may then be made to the next lowest responsible and responsive bidder, the call for bids re-advertised, or such other action taken as deemed appropriate by the Purchasing Agent.

### **5-3.17 RECORDS**

Departments shall create and retain a summary record for each IFB originating in their department and shall make it available for public inspection. The summary shall identify the successful bidder and include the date of the award, the purchase order or contract number, the company names of the participating bidders and the amounts of their bids, and a brief description of the commodity or services being purchased.

**5-3.18 TIE BIDS**

If the bid evaluation results in a determination that there has been a tie for lowest responsive and responsible bid between two or more bids received, which are for the same total amount or unit price and in all other respects equal, then the Purchasing Division shall have the tie bidders draw lots for the bid award. If a tie exists and one of the tied vendors is local, then Purchasing may, choose the local vendor over the non-local vendor. If a tie exists between two local vendors, then the Purchasing Division shall have the tied bidder draw lots for the bid award.

**SECTION 6. SERVICE CONTRACTS**

**6-1 USE OF SERVICE CONTRACTS**

Service contracts shall be used to procure professional or technical services not provided by County employees. California Government Code Sections 31000 and 53060 allow procurement of special services and advice in financial, economic, accounting, engineering, legal, medical, therapeutic, administrative, architectural, airport or building security matters, laundry services or linen services, if such persons are specially trained and experienced and competent to perform the special services required.

**6-2 CRITERIA FOR SERVICE CONTRACTS**

A department may request a service contract only if one or more of the following conditions exist:

- Urgent need which cannot be met by County employees.
- Temporary, intermittent, or irregular services which cannot be performed effectively by County employees.
- Special or highly technical skills which cannot be obtained from County employees.
- Need for an independent opinion, appraisal, audit, or similar services.
- Lack of sufficient personnel to accomplish the work in the required time frame.

**6-3 VENDOR SELECTION –SERVICE CONTRACTS**

(a) Vendor selection shall be based on a competitive process whenever reasonably feasible. Services may be competitively solicited informally through:

- Requests for Quotes;
- Request for Qualifications; or
- Requests for Proposals

or through formal (sealed bid) competitive process using:

- Invitations for Bids;
- Requests for Proposals; or
- Request for Qualifications

(b) The Purchasing Agent, or Purchasing Agents designee, shall determine if the use of an informal RFP or RFQ is practical and advantageous for the County before an informal RFP or RFQ may be issued.

(c) Whenever possible, local vendors shall be contacted for the solicitation of quotes, proposals, qualifications, or bids.

**6-3.1 VENDOR SELECTION - PROFESSIONAL SERVICES – ARCHITECTURAL, LANDSCAPE ARCHITECTURAL, ENGINEERING, ENVIRONMENTAL, LAND SURVEYING, OR CONSTRUCTION PROJECT MANAGEMENT SERVICES**

(a) California Government Code Section 4526 mandates that “selection by a state or local agency head for professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.”

(b) Government Code Section 4526 shall not apply if the state or local agency head determines that the services needed are more of a technical nature and involve little professional judgment and that requiring bids would be in the public interest. (California Government Code Section 4529)

**6-3.2 SOLE SOURCE JUSTIFICATION - SERVICES**

(a) Sole source justification for the procurement of services is based upon any of one of the following:

- *Uniqueness:* Due to specific timeframe limitations, the vendor’s unique capacity is critical to providing the required service.
- *One of a Kind:* Only one person or vendor capable or available of providing the required service.
- *Timeliness:* The vendor’s ability to meet critical timeframes associated with either the funding source or the provision of the required service.
- *Inadequate Competition:* After solicitation of a number of sources, competition is determined to be inadequate.
- *Specialized Training:* The requested service is one that requires special training or extensive expertise.

(b) The Purchasing Agent may approve a sole source justification for any other reason that is determined, by the Purchasing Agent, to be in the best interest of the County.

(c) The Purchasing Agent approval is required for all sole source justifications for service contracts totaling twenty-five thousand dollars or more.

**6-4 LOCAL VENDOR PREFERENCE – SERVICES**

(a) Proposals, Quotes, Qualifications or Bids shall be solicited from local firms whenever possible.

(b) Local vendors shall be awarded contracts for services where qualifications are otherwise equal unless such preference is not allowed by law.

(c) Where possible the County shall encourage and facilitate the use of local firm on County projects by following these guidelines:

- Place RFP/RFQ/IFB and all announcements for competitive purchasing in a centralized location on the County’s Web page.
- Send out email alerts to business registered on the County Procurement page informing them of upcoming opportunities.
- Provide notices of pending RFP/RFQ/IFB opportunities to local contractors.
- Public Works shall and Health and Human Services shall meet annually with the local contracting community to apprise them of upcoming contracts.
- Purchasing Division shall hold annually local vendor outreach clinics to assist the local community in better understanding the County’s contracting programs.
- Limit professional liability insurance to contracts that are specifically for professional services.
- Attach insurance requirements to RFP/RFQ so contractors can appropriately price their submittals.
- Include in the RFP/RFQs specific language that encourages larger, out-of-the area firms to subcontract with qualified smaller local firms where appropriate.
- Track usage of local vendors.
- Create language in Board Agenda letters indicating if a chosen firm is local and if not, the reason why.

**6-4.1 SPECIFIC RFP LANGUAGE**

RFP documents shall contain the following specific language:

- *When it is known no Federal Funds will be used:* “Napa County has a local vendor preference which covers the acquisition of requested services. Local vendors will be awarded contracts for services where qualifications are determined by the reviewing panel to be otherwise equal, unless such preference is not allowable by law. For this matter, a local vendor is a vendor who has a billing address located within Napa County.”
- *When it is known Federal Funds will or may be used:* “Federal Funds may or will be used, therefore no local vendor preference is included.”
- “Where appropriate and allowable, out of county vendors are encouraged to subcontract with qualified local vendors.”

**6-5 REVIEW BY COUNTY COUNSEL AND RISK MANAGEMENT**

- (a) All professional services contracts must conform to the approved County Counsel templates, except that a vendor's form may be used with pre-approval from County Counsel.
- (b) Every contract must be reviewed and approved by County Counsel, except that the Purchasing Agent may create a list of approved small value/low risk services whereby a pre-approved contract may be used without further review by County Counsel and Risk Management
- (c) The County requires insurance coverage for all service contracts as determined by the County Executive Officer or Designee.
- (d) The contracting department is responsible for acquiring the contractor's certificates of insurance, which must be submitted to the County Executive Officer or Designee for review to ensure that all insurance requirements are satisfied.
- (e) Departments shall make prospective contractors aware of the County's insurance requirements for each contract at the time quotes, bids, or proposals are solicited.
- (f) Contractors should not be given notice to proceed until the appropriate insurance certificates have been received and approved by the County Executive Officer or Designee.

**6-6 AWARD AUTHORITY FOR SERVICE CONTRACTS**

- (a) Napa County Code Section 2.36.040 authorizes the Purchasing Agent to "engage independent contractors to perform services for the county, or county offices, with or without the furnishing of material, when the annual aggregate cost does not exceed Fifty Thousand Dollars (\$50,000), except that this amount shall be adjusted annually by any annual increase in the California Consumer Price Index (CPI) as determined pursuant to Section 2212 of the Revenue and Taxation Code; provided, however, this shall not apply to contracts to do work upon the public roads of the county."
- (b) Napa County Code Section 2.36.050 authorizes the Purchasing Agent to "delegate the authority to accomplish any of the specific duties contained in Section 2.36.040 to appropriate department directors. Such delegation shall be in writing and shall precisely describe the extent thereof."

**6-7 REQUIRED APPROVALS**

**6-7.1 SERVICE CONTRACTS: LESS THAN \$50,000 PER ANNUM AND NOT EXCEEDING FIVE YEARS IN LENGTH**

Departments may negotiate, approve, and sign contracts for professional services contracts if the total fiscal year annual aggregate amount paid or encumbered by the County to the

contractor (vendor) for services, and materials directly related to the contracted service, is less than \$50,000 per fiscal year, and total length of contract does not exceed five years.

**Competitive solicitations when the anticipated cost of the contract is less than \$25,000 are not required, but prudent buying techniques suggest contacting at least two or more vendor for comparison of services and cost when possible.**  
**6-7.2 SERVICE CONTRACTS: FROM \$50,000 PER ANNUM TO PURCHASING AGENT'S CPI-ADJUSTED AUTHORITY LEVEL AND NOT EXCEEDING FIVE YEARS IN LENGTH**

(a) Service Contracts of \$50,000 or more (aggregate per vendor per fiscal year for services and related material) per annual term, but not exceeding the Purchasing Agent's adjusted CPI authority level pursuant to California Government Code Section 25502.3, shall be approved by the Purchasing Agent. The Purchasing Agent's authority level, as set in the 2011 Purchasing Policy, shall continue to be adjusted annually by the annual increase in the California Price Index (CPI) as determined pursuant to Section 2212 of the Revenue and Taxation Code; provided however, this shall not apply to contracts to do work upon the public roads of the county.

(b) Service contracts shall be consolidated whenever feasible to avoid incremental contracting and contracts shall not be split, in dollar amount or duration, to avoid County Executive Officer's review.

(c) Requests for contract approval where the amount to be paid in a single contract is fifty thousand dollars (\$50,000) or greater shall include the results of the solicitation and a synopsis of proposals.

(d) Approval requirements for special districts may vary and the legal counsel for such districts shall be consulted to determine the required approval procedure.

**6-7.3 SERVICE, CONTRACTS: GREATER THAN THE CPI-ADJUSTED PURCHASING AGENT AUTHORITY LEVEL, PER ANNUM; OR EXCEEDING FIVE YEARS IN LENGTH.**

(a) Service Contracts exceeding the CPI-adjusted Purchasing Agent authority level, as adjusted by the annual CPI increase, or exceeding five years in length must be approved by the Board of Supervisors.

(b) Service contracts shall be consolidated whenever feasible to avoid incremental contracting and contracts shall not be split, in dollar amount or duration avoid Board of Supervisors' review.

(c) Requests for contract approval more than the CPI-adjusted Purchasing Agent authority level, as adjusted by the annual CPI increase, or exceeding five years in length, shall be submitted to the County Executive's office for approval prior to presentation to the Board

of Supervisors for action; and shall include the results of the solicitation and a synopsis of proposals.

(d) Approval requirements for special districts may vary and the legal counsel for such districts shall be consulted to determine the required approval procedure.

**6-8 INCREMENTAL CONTRACTING**

(a) Contracts shall be consolidated whenever feasible.

(b) Contracts shall not be split, in dollar amount or duration, to avoid County Executive Office's review, Board of Supervisors' review, or to bypass bidding requirements.

**6-9 CONTRACT TERM, EXTENSION, AND AMENDMENT**

(a) No original contract term shall be for more than five (5) years unless authorized by the Board of Supervisors.

(b) Whenever a contract extension or amendment results in a contract term longer than, or results in a total contract dollar amount greater than a department head or County Executive Officer award authority, the contract extension or amendment requires the approval of the County Executive Officer or Board of Supervisors in the same manner in which an original contract would have pursuant to Section 6-7, except that approval for any extension or amendment for any contract approved by the Board of Supervisors, or any contract containing an amendment approved by the Board of Supervisors, must be approved by the Board of Supervisors, regardless of dollar amount or contract term.

**6-10 CONTRACT TERMINATION**

The Purchasing Agent or designee is authorized to make all decisions and take all actions necessary to terminate any County contract for services, including contracts approved by the Board of Supervisors. When the contract was approved by the Board of Supervisors, the Purchasing Agent or designee shall notify the Board of the action to terminate at the next reasonably feasible opportunity.

**6-11 EMERGENCY SERVICES**

(a) Emergency purchases may be made by any person or official authorized by the department head to sign contracts when the Purchasing Agent, or any Purchasing Agent designee who is authorized to make purchases, is not immediately available and the service or services so purchased are immediately necessary for the continued operation of the office or department involved or are immediately necessary for the preservation of life or property. Such emergency purchases shall be subsequently approved and confirmed by the Purchasing Agent, or, if the Purchasing Agent refuses confirmation, the Board of Supervisors may subsequently approve and confirm such purchase by four-fifths vote of the entire board. The Board may also be required to ratify contracts by a simple majority vote where the amount of the contract exceeds the authority of the Purchasing Agent. Unless such purchases are so approved and confirmed by either the Purchasing Agent or

the Board of Supervisors, the cost thereof shall not constitute a legal charge against the county.

(b) When an emergency purchase has been made, a completed contract with a memorandum of justification, signed by the department head or authorized designee, shall be submitted to the County Executive Office as soon thereafter as reasonably feasible and processing of contract into the County's contract and financial system shall still be required. Any quotations or proposals received, and pertinent correspondence shall be retained for inclusion in the public record files.

(c) Because emergency purchases may not provide the County with an opportunity to either obtain competitive quotes or properly encumber funds committed, sound judgment must be used in keeping such orders to an absolute minimum.

(d) In the event of a declared emergency pursuant to Napa County Code, Chapter 2.80, the Emergency Services Director may perform any duty posed upon them by virtue of the chapter.

(e) In the event of a declared emergency pursuant to Napa County Code, Chapter 2.80, the Purchasing Agent, or Purchasing Manager may waive the requirement for a memorandum of justification as required by Section 3-3(b).

(f) When a federal emergency declaration has been provided, all federally funded purchases shall follow federal procurement standards set forth in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR § 200 et seq.).

## **6-12 CONFLICT OF INTEREST**

(a) No contracts shall knowingly be issued to any current County employee or County employee's immediate family or to any former County employee or former County's employee's immediate family until one year after separation, without approval from the County Executive Officer. This prohibition includes individuals acting as agents or representatives. See Section 2-6, Ethical Standards.

(b) Department heads are responsible for determining whether service providers or consultants contracted by the County are subject to the reporting requirements of the County's Conflict of Interest Code.

## **6-13 PROCEDURES**

(a) The Purchasing Agent shall create minimum procedural standards to ensure that the contracting process proceeds in a structured and timely manner.

(b) County departments may develop internal procedures as may be necessary so long as the department internal procedures meet the minimum procedural standards created by the Purchasing Agent.

**6-14 DEBARMENT OF VENDORS**

After consultation with County Counsel and after reasonable notice to the vendor involved and reasonable opportunity for the vendor to be heard, the Board of Supervisors shall have the authority to debar a person for cause from consideration for award of contracts.

**SECTION 7. PROTESTS AND APPEALS**

**7-1 PURPOSE**

The purpose of the bid protest procedures in this Section is to protect the public interest. This Section is not intended to give losing bidders an opportunity to evaluate the bid or proposal of the winning bidder to have the award overturned and secure the contract for itself.

**7-2 APPLICATION**

The following procedures apply to procurements involving formal sealed bids or competitive sealed proposals; and only for those procurements publicly posted after the effective date of this policy.

**7-3 STANDING**

A bidder or proposer who is not selected for contract award may protest the award of the contract to another bidder or proposer by submitting a written protest. Subcontractors, subconsultants, and members of the public may not submit a protest.

**7-4 PROTEST DEADLINES**

(a) For contracts awarded pursuant to an IFB, the protest must be received by the Purchasing Agent no later than 5:00 p.m. on the seventh calendar day after the date of the bid opening.

(b) For contracts awarded pursuant to an RFP or RFQ (Request for Qualifications), the protest must be received by the Purchasing Agent no later than 5:00 p.m. on the seventh calendar day after the County notifies all proposers via the Intent to Award Notification.

(c) Notwithstanding subsections (a) and (b) above, if a bid or proposal is rejected as non-responsive or because the bidder is not a responsible bidder, the protest must be received by the Purchasing Agent no later than 5:00 p.m. on the seventh calendar day after the County notifies the bidder or proposer that their bid or proposal is being rejected.

(d) The County's notification under subsections (b) and (c) above may be by any reasonable means, including but not limited to U.S. mail, e-mail, facsimile, or internet posting. The effective date of notice by mail is the date that the notice is deposited in the mail. The effective date of all other means of notice is the date it is transmitted.

(e) If the seventh calendar day falls on a weekend or County holiday, the deadline to submit a protest shall be extended to 5:00 p.m. on the first business day following such weekend or holiday.

(f) Written protests must be delivered to:

Napa County Purchasing Agent  
County Administration Building  
1195 Third Street, Suite 310  
Napa, CA 94559

**7-5 CONTENTS OF PROTEST**

The protest must be identified as a “bid protest” in the subject line or title of the document and shall clearly state all legal and factual grounds claimed for the protest. Any grounds not raised in the written protest are deemed waived by the bidder or proposer.

**7-6 RESOLUTION PROCESS**

(a) Upon timely receipt of a written protest, the Purchasing Agent will convene a meeting with the protesting party and appropriate County staff to seek informal resolution and/or to clarify the issues.

(b) If the protest is not resolved at the informal meeting, the Purchasing Agent shall provide a written response to the protesting party within fifteen (15) business days following the informal meeting. County Counsel may be consulted before the written response is issued. The response shall state the Purchasing Agent’s decision and facts and law supporting that decision.

(c) Notwithstanding subsection (b) above, if the protest is not resolved at the informal meeting and the protest is to the County’s determination that the bidder is not a responsible bidder, the bidder may request a hearing to present evidence contesting the County’s determination. The request for a hearing must be in writing and received by the Purchasing Agent no later than 5:00 p.m. on the third business day after the date of the informal meeting in subsection (a). The Purchasing Agent shall serve as the hearing officer and issue a written decision within fifteen (15) business days following the conclusion of the hearing.

(d) The County shall not award the contract being protested until after the Purchasing Agent issues a written decision on the protest, unless the Purchasing Agent, in consultation with County Counsel and the Director of the Department administering the contract, makes a written determination that the award of the contract without further delay is necessary to protect public health, safety, or welfare. The Purchasing Agent’s written decision on the protest shall be final and exhaust the protestor’s administrative remedies.

**7-7 EXCLUSIVE REMEDY**

(a) The procedure and time limits set forth in this Section are mandatory and are the protestor's sole and exclusive remedy. Failure to comply with these procedures and time limits shall constitute a waiver of any right to further pursue a protest.

(b) The submission of a protest shall not preclude the County from rejecting all bids or proposals and re-advertising or canceling the contract. Rejecting all bids or proposals shall render a protest moot and terminate all protest proceedings.

**SECTION 8. E-PROCUREMENT**

Pursuant to the authority granted by Napa County Code Chapter 2.36, the Purchasing Agent may, at their discretion, explore and implement electronic procurement (e-procurement) services available on the open market or through cooperative purchasing agreements with other government agencies, provided that any contract providing e-procurement services shall be subject to the provisions and award authority established by state law, the Napa County Code, and this purchasing policy.

**SECTION 9. SURPLUS PROPERTY**

**9-1 RESPONSIBILITY**

(a) The Purchasing Division is responsible for the preparation and distribution of procedures to ensure the maximum utilization of surplus property.

(b) Capital Assets that are the property of Napa County shall not be sold, turned in for credit, or otherwise disposed of without the approval of the Board of Supervisors.

**9-2 DEPARTMENT NOTIFICATION OF SURPLUS PROPERTY**

(a) County Department heads are responsible for notifying the Purchasing Division of items that are no longer needed by their departments. Upon notification the Purchasing Division will determine whether another department can utilize the item or whether the item should be stored, transferred, or disposed.

(b) The Purchasing Division may, on occasion, survey departments to determine if surplus property exists within the departments.

**9-3 MOVEMENT AND STORAGE OF SURPLUS PROPERTY**

(a) The Purchasing Division will arrange for the surplus property item(s) to be removed from the department and either stored or properly relocated. County Public Works staff may be used for transportation of the property.

(b) The Purchasing Division shall maintain an inventory of what surplus items are available in storage and keep an inventory list available for viewing electronically. County

Departments shall review the inventory list prior to submitting a purchasing requisition to see if any stored item can be utilized instead of purchasing something new.

(c) County Departments may contact the Purchasing Division to determine if a particular item is available as surplus.

(d) The Purchasing Division shall compare requisitions received against the list of surplus items to ensure that unnecessary purchases are avoided.

**9-4 DISPOSAL OF SURPLUS PERSONAL PROPERTY**

(a) The Purchasing Division shall sell, lease, transfer, donate, recycle, dispose of, or exchange surplus property in the manner authorized by Napa County Code Sections 2.36.040, 2.36.130 & 2.36.140, California Government Code Sections 25504, 25505, and 25372, and Board direction.

(b) Any item purchased or obtained which had surplus disposition terms and conditions, such as but not limited to items purchased with federal or grant funds, associated with County taking ownership, must be disposed in a manner consistent with those terms and conditions. It shall be the responsibility of the Department initiating the surplus request to inform the Purchasing Division and the Auditor Controller's Office of any such terms and conditions.

(c) The Purchasing Division may contract with an auctioneer to conduct a County public auction or with an auction service to arrange for the disposal of surplus property. For certain low-value items (less than \$500) which have been declared surplus by the Board of Supervisors, the Purchasing Division may with Board approval conduct a publicly advertised cash-only "garage sale" pursuant to Government Code section 25363.

(d) The Purchasing Division is responsible for ensuring that the sale, lease, transfer, donation, recycling, exchange, and disposal of surplus property is conducted in such a manner as to realize the maximum value possible from the sale or disposal of surplus property. The Purchasing Agent or Purchasing Manager is authorized to discard or otherwise dispose of damaged, useless, or valueless surplus property when costs associated with selling such goods at public auction would exceed the anticipated revenues to be realized from the auction. When items are not capital assets, disposal of items damaged beyond reasonable repair or valueless items may happen immediately with approval by Department Head and Purchasing Manager. In the case where items are delegated for immediate disposal, it shall be reported to the Board with the next subsequent request to declare items as surplus. In the case of small items of little original value that are broken or otherwise valueless, a Department Head may dispose of without further need to contact the Purchasing Division.

**9-5 PROHIBITION AGAINST SURPLUS PURCHASE BY EMPLOYEES**

(a) Individuals assigned the following duties within the County organization SHALL NOT, either directly or indirectly, bid for or purchase surplus County personal property:

- Purchasing functions
- Responsibility for surplus declarations
- Access to privileged information regarding the item or equipment or the value thereof, which is not available to all prospective bidders, or
- Assignment to the originating department having custody of the surplus property.

(b) This provision shall be liberally construed to prohibit any appearance of impropriety and County Counsel should be consulted for an opinion whenever there is a question of probable conflict. If a person violates this policy, the purchase shall be voided, if possible, and the person may be subject to discipline.

**9-6 TRADE-IN ALLOWANCE**

When purchasing personal property for which the County is not required to advertise for bids, the Purchasing Agent is authorized to solicit and accept advantageous trade-in allowances for County personal property which has previously been determined by the Purchasing Agent to be of no further public use. Competitive bids for the purchase of personal property by the County may also include a request for trade-in of equipment that is no longer useful to the County. The Purchasing Division shall request (either prior to or at the time of bid award) that the Board of Supervisors declare the County personal property to be traded in as surplus and approve such trade in as a part of the bid award, if the Purchasing Agent determines that doing so would be in the best interest of the County.

**9-7 PROCEEDS FROM DISPOSITION OF SURPLUS PROPERTY**

Proceeds from the disposition of surplus property shall be deposited into the County General Fund for use by the County or, in the event the property has been categorized as surplus by a special fund department or district, proceeds shall be deposited to these respective funds.

**SECTION 10. ENVIRONMENTALLY PREFERRED PURCHASING**

**10-1 PROCUREMENT REQUIREMENTS**

Napa County shall purchase products, food and services that support our sustainability goals as stated in the Summary of Vision in the Napa County General Plan and as prescribed by California Public Contract Code (PCC) Sections 22150-22154. The County recognizes that not all sustainability factors will be incorporated into every purchase. However, it is intended that County employees will make a good faith effort to incorporate and balance these factors to the maximum extent practical. Nothing in this document shall be construed as requiring the County or contractors to procure products that do not perform adequately for their intended use or are not available at a reasonable price in a reasonable period of time. To this end, Napa County shall:

- (a) Use third-party environmental certifications as approved by the State of California Third Party Environmental Certifications by Category and/or the Environmental Protection Agency Recommendation of Specifications, Standards.
- (b) Purchase all printing and copy paper products that meet or exceed the requirements of the California Public Contract Code Section 12209(c)(1).
- (c) Procure environmentally preferable janitorial paper products that meet or exceed the requirements of California Public Contract Code Section 12209(c)(2).
- (d) Require contractors to meet the requirements of California Public Contract Code Section 12209.
- (e) All surfactants and detergents shall be readily biodegradable and, where practicable, shall not contain phosphates.
- (f) Purchase or require janitorial contractors to supply industrial and institutional cleaning products that meet Green Seal or UL/EcoLogo certification standards for environmental preferability and performance when appropriate.
- (g) Purchase carpets that meet EPA CPG recycled content specifications and containing the lowest volatile compound (VOC) content available.
- (h) Ensure that all paint purchased contains the minimum amount necessary of volatile organic compounds, and that shall meet EPA CPG recycled content specifications.
- (i) Ensure that electronic equipment, either purchased or leased, including computers, printers, photocopiers, kitchen and laundry appliances, and energy management systems meets U.S. EPA Energy Star standards. The energy efficiency function must be enabled at all times; and when practical, all new purchased or leased photocopiers and printers, as of the effective date of this policy, are required to be capable of duplexing, and this must be set as a default option.
- (j) Require all departments and encourage all contractors/consultants use double-sided copying or duplexing when appropriate.
- (k) Consider emissions, environmental impact, and the State of California Air Resource's Board compliance regulations for "On" and "Off Road" Rules/ Regulations when purchasing fleet vehicles, and the consumption of energy required to maintain each vehicle.
- (l) Prohibit the purchase of any glyphosate-based product as defined by the California Office of Environmental Health; and prohibit contractors from using any glyphosate-based product as defined by the California Office of Environmental Health on County

maintained property for general landscaping purposes. Any contractor supplying landscaping services shall provide a list of products used for approval by County Property Management prior to application on County properties to ensure compliance with this restriction. This restriction shall not apply to vegetation management efforts at the Napa County Airport within the Air Operations Area as defined by the Federal Aviation Administration and Appendix B of the Airport's Rules and Regulations.

(m) To the maximum extent possible, County funds shall not be used to purchase single use water bottles for use in Napa County facilities, except in cases of emergency or where there are no reasonable alternatives; when there are hydration requirements for employees working outside of County facilities; or a department finds that relying on single use water bottles is necessary for public health, safety and welfare; or other legal or other contractual reasons are present.

(n) In order to promote local and organic food growers, reduce air pollution caused by transportation, and improve the local economy, ensure that Napa County considers food grown in Napa County and Organic Food (certified by an independent third-party USDA accredited agency) when making food purchases.

(o) Where external authorities and/or universally recognized, independent third-party certifying agencies have not established environmental guidelines, integrate environmental factors into the County's purchasing decisions. Examples may include, but are not limited to:

- Consideration of life-cycle economics and analysis
- Consideration of purchasing re-usable, rechargeable, recyclable, and or compostable goods when making procurement decisions.

(p) Ensure that other products which are not specifically identified in this policy meet U.S. EPA CPG specifications for recycled content where such guidelines are available.

(q) Give preference to companies offering free or low-cost product "take-back" services for their products to ensure that these items are safely managed at the end of their useful life.

## **10-2 IMPLEMENTATION**

### **10-2.1 PURCHASING MANAGER RESPONSIBILITIES**

(a) Participate and be an active member of the County's Sustainability Counsel.

(b) Develop procurement guidelines for specific products and services as they are analyzed to implement this policy.

- (c) Develop and assist with developing specifications for environmentally preferred products and services, whenever practicable, in County solicitations and evaluation criteria.
- (d) Collaborate with County departments in the development and evaluation of technical and performance specifications for environmentally preferred products and services.
- (e) Implement a strategy to educate vendors and contractors about the policy.
- (f) Apply appropriate criteria for product categories that meet this policy's goals.
- (g) Utilize our local resources and vendor base where appropriate.
- (h) Work and do business with suppliers that, whenever practical:
  - Offer to collect and recycle their products at the end of their useful life.
  - Are certified as a Green Business by Napa County or another similar program that is acceptable to the County.
  - Offer products that meet standards set forth in this section or Section 2-5 of this policy.
  - Demonstrate in their business practices a commitment to helping the County meet the goals set forth in this policy.

#### **10-2.2 DEPARTMENT RESPONSIBILITIES**

- (a) Source locally grown or locally prepared food(s) for meetings where food and/or beverages are offered.
- (b) Participate in the identification, selection, and pilot testing, if necessary, of sustainable products and services that are specific to the department's operations. Include specifications for sustainable products and services, whenever practicable, in departmental solicitations, purchases and evaluation criteria as developed by the Purchasing Manager.
- (c) Provide feedback to Purchasing Manager regarding technical specifications, availability, performance and cost of sustainable products and services.
- (d) Encourage vendors and contractors to comply with this policy with respect to products and services procured in connection with the performance of any contractual obligations to the County.

#### **10-3 DEFINITIONS**

*"Best Value"* of a good or service means consideration of its quality, performance, sustainability impacts, unit cost, Total Cost of Ownership, durability, compatibility, the experience of the provider, and any other factors the Purchasing Agent deems relevant to the procurement.

“*Certification Standards*” means universally recognized independent, third-party social and/or environmental labeling standards for products, services and/or business practices.

“*Organic food*” means using the EPA definition: "Organically grown" food is food grown and processed using no synthetic fertilizers or pesticides. Pesticides derived from natural sources (such as biological pesticides) may be used in producing organically grown food.

“*Recycled Content*” means the amount of pre- and post-consumer recovered material introduced as a feed stock in a material production process, usually expressed as a percentage.

“*Total Cost of Ownership*” means using a calculation that compares goods and services based on factors that include, but are not limited to, acquisition, extended warranties, installation, operational costs (including supplies, energy, and water consumption), maintenance and other labor costs, end-of-life management costs, and expected lifetime compared to other alternatives.

## **SECTION 11. PURCHASING CARD (P-CARD)**

### **11-1 BACKGROUND**

(a) The Procurement Card (P-Card) Program is intended to facilitate the acquisition of goods and travel-related services necessary for accomplishing the County’s goals and objectives of automation and streamlining processes. The P-Card itself is issued to individual employees, who have been designated by their agency and may only use it for the type of purchases authorized by their Board.

(b) The use of a P-Card is a privilege, not a right. Its use for unauthorized purchases, or in a manner inconsistent with ethical and legal practice as stewards of public funds, will result in withdrawal of the privilege from the individual, department, or agency. Violators of policies and procedures will be subject to disciplinary action, up to and including termination.

(c) All Card Holders, Approvers and Billing Officials are required to attend mandatory in-house training at least every two years to maintain their P-Card status.

### **11-2 P-CARD ADMINISTRATION**

#### **11-2.1 PROGRAM COORDINATOR (PURCHASING AGENT)**

The Purchasing Agent, or designee, is the Program Coordinator and is responsible for overall coordination and administering the program at the County level. If the Program Coordinator is a Card Holder, then all changes to Categories and Spending Limits of the Program Coordinator shall be approved by the Program Coordinator’s Approving Manager. The Program Coordinator is responsible for:

- Oversight of all Card Holders including initial approval, monitoring, and training;
- Developing and maintaining policy and procedures;
- Coordinate new card applications, requests for replacement cards, set or change approved transaction limits, block merchant category codes, and card cancellations;
- Managing the relationship with issuing bank;
- Working with the Auditor-Controller's Office to facilitate training and maintain training records for Card Holders and Approving Managers;
- Assisting the Auditor-Controller in auditing purchases; and
- Evaluating the program and recommending changes.

### **11-2.2 AUDITOR-CONTROLLER**

The Auditor-Controller's Office is responsible for submitting monthly payments for each Managing Account to the issuing bank for all charges under the County's P-Card program as well as auditing each department for compliance of policies and procedures. The Auditor-Controller is responsible for:

- Receiving the Managing Account Summary
- Reconciling Account Activity Reports to Master Billing File and Managing Account Summary reports
- Timely payment of monthly invoices to U.S. Bank
- Reconciling any outstanding balances
- Reviewing monthly and quarterly reports, including declined transactions
- Assisting with the coordination to process new card applications.
- Working with the Program Coordinator to facilitate training and maintain training records for Card Holders and Approvers.
- Ensuring that all disputed charges are complete and submitted as required.
- Evaluating the program and recommending changes
- Monitoring and auditing all activity of the P-Card Program, ensuring no violations of the County policies or procedures exist
- Confirm all payments sent have posted to the Managing Account Summary to prevent past-due status.

## **11-3 P-CARD AGENCY STRUCTURE**

### **11-3.1 INDIVIDUAL CARD HOLDERS**

Card Holders are current employees of the County with procurement authority, who use the P-Card for business-related purchases. The Card Holder is responsible for:

- Keeping the P-Card secure
- Appropriate use of the P-Card, ensuring full compliance with all County policies. Any unauthorized use by the Card Holder will be considered in Violation of County Policy and may result in any or all of the following:
  - Loss of reimbursement privileges,
  - A demand for restitution to the County,

- The County's reporting of the expense reimbursement as income to state and federal tax authorities,
  - Civil penalties of up to \$1,000 per day and three times the value of the resources used, and
  - Prosecution for misuse of public resources. Except in the case of elected officials, use of public resources or falsifying expense reports in violation of this policy may further result in disciplinary action, up to and including termination.
- Obtaining detailed receipts for payment documentation
  - Documenting expenditure transactions
  - Filing disputes and reporting fraudulent transactions to issuing bank
  - Reconciling on-line Transaction List.
  - Contacting the Program Coordinator when transactions are identified that do not follow County policy. Card Holders will be held accountable for these charges.
  - Notifying the Program Coordinator when planning to vacate position or be on extended leave of 10 working days or more.
  - Individuals contracting or subcontracting with the County of Napa are NOT authorized to use the County's P-Card.

### **11-3.2 APPROVING MANAGER**

The Approving Manager shall be the Department Head/Agency Manager or designee approved by Program Coordinator and may have on-line access to the issuing bank's Card System (Card Holders who are Department Heads/Agency Managers will have activity approved by an Assistant Department Head or Agency Manager) and is responsible for:

- Reviewing and approving assigned Card Holder charges
- Ensuring all purchases are appropriate and within County policy.
- Ensuring no prohibited items have been purchased.
- Confirming the expenditures have been classified and accounted for correctly.
- Contacting the Program Coordinator when transactions are identified that do not follow County Policy.
- Promptly notifying the Program Coordinator when Card Holder will or has vacated position or is on extended leave of 10 working days or more.

## **11-4 CONTROLS**

### **11-4.1 CERTIFICATION & APPROVAL**

A number of unique controls have been developed for the P-Card Program that may not exist in a traditional credit card environment. These controls ensure that the card can be used only for specific categories of purchases and within specific dollar limits. In addition, certification of all purchases is required by each Card Holder, with additional verification performed by the designated Approving Manager for each Card Holder before payment is made.

**11-4.2 CARD HOLDER USE ONLY**

Only the Card Holder may use this card and the P-Card must not be used for personal purchases.

**11-4.3 TRANSACTION DOLLAR LIMITS**

The approved authorization level determines the maximum dollar amount for each single purchase, daily dollar amount and a total dollar amount for all purchases made within a billing cycle for each Card Holder in their department. If the amount of the purchase is over the card's limits, the purchase will be declined.

**11-4.4 OFFICIAL USE ONLY**

(a) Intentional use of the P-Card for other than Official Use Only will be considered an attempt to commit fraud against the County. Proof of such fraud will result in immediate cancellation of the Card Holder's account, and disciplinary action under applicable departmental, agency and County administrative procedure will be taken, up to and or including termination. The Card Holder will be personally liable to the County for the amount of any non-approved purchases and could face criminal charges as well.

(b) All purchases are subject to the Auditor-Controller's review. Any unintentional misuse of the card is the employee's responsibility and will result in the immediate termination of the Card Holder's assigned card. The employee will be completely liable for payment of the transaction.

**11-4.5 CONTINUOUS MONITORING AND AUDITING**

The Auditor-Controller will perform continuous monitoring and auditing of all Card Holder activity including declined transactions.

**11-5 OBTAINING A P-CARD**

**11-5.1 COUNTY DEPARTMENT REQUESTS**

(a) To request a P-Card, Departments shall first review the following documents and complete the required forms:

- P-Card Request Form
- P-Card/Card Holder Agreement Form – Acknowledgement and Responsibility

(b) A Card Holder cannot be his/her own Approving Manager.

(c) Both the Request Form and the Agreement Form must be signed by the Department Head and submitted to the Program Coordinator.

(d) The Program Coordinator will review all Card Holder requests received and clarify or modify applications in conjunction with the requesting Department Head.

(e) The Program Coordinator will recommend requests providing sufficient justification for card use to the County Executive Officer for final approval before submitting a Card Holder Application Request to the bank. Recommendation will include requested spend limits and Merchant Category Codes (MCC) to be assigned to the card at issuance.

(d) The Program Coordinator will work with the Auditor-Controller to provide the required training prior to issuing the card to each new Card Holder.

## **11-6 AUTHORIZED, RESTRICTED AND PROHIBITED PURCHASES**

### **11-6.1 AUTHORIZED PURCHASES**

(a) Purchases are authorized for only those items that fall within assigned Merchant Category Codes with a cost less than the maximum per transaction of the Card Holder's assigned transaction limit, including shipping, packaging charges and all taxes. Each individual P-Card will have customized limits for

- Maximum dollar limit for each purchase transaction
- Maximum dollar limit for Daily transactions
- Maximum dollar limits per 30-day cycle.
- Maximum overall credit limit

(b) If the purchase is made with a Merchant Category Code that is not authorized on the card, the purchase will be declined.

### **11-6.2 RESTRICTED PURCHASES**

Restricted purchases include those purchases that may be subject to approval by another department.

### **11-6.3 PROHIBITED PURCHASES**

There are two categories of goods for which the P-Card may not be used: those excluded by contract with the State of California and those excluded by these County procedures.

#### **11-6.3.1 PURCHASES EXCLUDED BY THE STATE OF CALIFORNIA**

The State of California's Agreement with U.S. Bank includes a list of goods excluded from the contract. Because the County is participating in the State's Agreement with U.S. Bank, the P-Card cannot be used to purchase these goods. The U.S. Bank system will automatically decline authorization to purchase any of the following:

- Wire Transfers and Money Orders
- Direct Marketing Insurance Services
- Manual and/or Automatic Cash Advances
- Foreign Currency, Money Order or Traveler's Checks
- Security Brokers and/or Dealers
- Overpayments
- Savings Bonds

- Timeshares
- Betting, Casino Gaming Chips, and Off-Track Betting
- Political and/or Religious Organizations
- Fines, Court Costs, Alimony, and Child Support
- Bail and Bond Payments
- Tax Payments
- Government Loan Payments
- Automated Referral Services
- Furriers and Fur Shops
- Pawn Shops
- Dating and Escort Services
- Massage Parlors

#### **11-6.3.2 PURCHASES EXCLUDED BY NAPA COUNTY**

- Alcohol/Liquor
- Cigarettes/Tobacco Related Items
- Meals incurred for Same-Day and Overnight Travel (Napa County Policy Part I: Section 43)
- Fuel
- Rental or lease of land or buildings that fall outside the Purchasing Agent's authority
- Purchase of telephones, telephone services or other communication devices without ITS approval
- Modular office furnishings
- Window, wall, and floor coverings
- Capital Improvement Projects
- Work performed on County owned, leased, or occupied property.
- Services requiring a contract
- Any other expenses prohibited by County Policy

#### **11-6-3.3 BOARD DECLARED EMERGENCY**

Napa County exclusions are removed during a Board declared emergency for the following:

- Meals
- Fuel
- Rental or lease of land or buildings above the Purchasing Agent's standard authority
- Other expenses as approved by both County Executive Officer and the Auditor-Controller during initial emergency status for health and safety.

## SECTION 12. DEFINITIONS, ACRONYMS, and STATUTORY CROSS REFERENCES

### 12-1 DEFINITIONS AND ACROYNMS

The following definitions and acronyms shall be used in the following context as they appear in the Napa County Purchasing Policy:

***Competitive Procurement:*** Purchasing processes based on full and open competition.

***IFB (Invitation for Bid):*** A formal process whereby exact specifications and quantities are known. Purchasing decision is based on lowest price as submitted by responsive and responsible bidders.

***RFI (Request for Information):*** An informal process used to gather information relating to a specific business function or project, often prior to a request for proposal.

***RFP (Request for proposal):*** Either an informal or formal process where exact specifications, approach to scope of work, risks, and procedures are unknown, or where it is advantageous to the county to purchase the best value for goods or services as opposed to low bid. Experience, qualification, and solutions are drivers for overall value and are generally ranked above price.

***RFQ (Request for Qualifications):*** Either an informal or formal process where persons or firms are solicited to submit their qualifications to perform a proposed scope of services.

***RFQ (Request for Quote):*** An informal process where price, delivery, specifications, and terms are considered in the purchasing decision.

***Capital Asset:*** Goods, Materials, Equipment, or Property that exceed a given dollar value which the County has purchased and has a useful life greater than one year.

***Standard/Standardization:*** A value set up or established as a rule for the measure of quantity, weight, extent, or quality; to make or become standard.

***Personal property:*** Personal property is any item that is not real property. Real property is land and the buildings attached thereto.

***PSA (Professional Service Agreement):*** A contract outlining terms, conditions, and all details pertaining to the hiring or acquisition of Services.

***Purchase Order (PO):*** A legal contract issued to a seller for products or services the seller will provide to the County.

***Normal PO:*** A PO issued for a one-time transaction.

**Blanket PO (BPO):** A PO issued to cover multiple transactions over a specific period of time and/or a specific dollar amount.

**Requisition:** A request made by a County Department for the purchase of goods or materials. Requisitions entered into the County financial system, once approved, are converted to Purchase Orders

**Services:** Technical or unique functions performed by independent contractors or by consultants whose occupation is the rendering of such services.

**Professional Services:** Technical or unique functions performed by independent contractors or by consultants who hold a specialty license and whose occupation is the rendering of such services.

## 12-2 STATUTORY CROSS REFERENCES

The following statutory citations are present in this policy.

### 12-2.1 NAPA COUNTY CODES

2.08.040C.(12)	Section 1-1
2.36	Section 1-1
2.36.030	Sections 1-1, 1-2, 2-1
2.36.040	Sections 1-2, 3-5.2, 6-6, 9-4
2.36.050	Sections 1-3, 6-6
2.36.060	Section 2-5
2.36.080	Section 2-1
2.36.090	Sections 2-3.1.1, 3-4
2.36.095	Section 3.12
2.36.100	Sections 3-3, 6-12
2.36.130	Section 9-4
2.36.140	Section 9-4
2.80	Sections 3-3, 9-4

### 12-2.2 CALIFORNIA CODES

Election Code 14100	Section 2-3.1.2
Gov't Code 1090	Sections 4-1.1, 5-3.2.1
Gov't Code 4526	Section 6-3.1
Gov't Code 4529	Section 6-3.1
Gov't Code 24100	Section 1-2
Gov't Code 25501.5	Section 4-3
Gov't Code 25363	Section 9-4
Gov't Code 25372	Section 9-4

Gov't Code 25502.3	Section 6-7.2
Gov't Code 25504	Section 9-4
Gov't Code 25505	Section 9-4
Gov't Code 31000	Section 6-1
Gov't Code 53060	Section 6-1
Pub. Cont. Code 1601	Sections 5-1.8, 5-3.10
Pub. Cont. Code 12209	Section 10-1
Pub. Cont. Code 22150-22154	Section 10-1
Rev. and Tax Code 2212	Sections 6-6, 6-7.2

**12-2.3 FEDERAL CODES**

Title 2 of the Code of Federal Regulations, Part 200 (2 CFR § 200 et seq.)  
Sections 2-1, 3, 3-3, 6-12