

# **PROCUREMENT POLICY**

**Governing the Purchase of Supplies and  
Equipment and Contracting for Goods and  
Services**

## **MOUNTAINS RECREATION AND CONSERVATION AUTHORITY**

# MRCA PROCUREMENT POLICY

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# 1. OVERVIEW

## 1.1. RECITALS

The Mountains Recreation and Conservation Authority (MRCA) is a joint exercise of powers agency established pursuant to Government Code Section 6500 *et seq.* The member entities of the MRCA are the Santa Monica Mountains Conservancy, the Rancho Simi Recreation and Park District and the Conejo Recreation and Park District. The MRCA operates pursuant to the manner of the Conejo Recreation and Park District.

The MRCA's Procurement Policy constitutes the policies and procedures, including bidding regulations, governing purchases of supplies and equipment as required by Government Code Section 54201 *et seq.* and as governed by Public Contract Code Section 20815 *et seq.* Additional requirements for public works projects are described in MRCA's Labor Compliance Program in accordance with Labor Code Section 1771.5.

Any purchase which is not made in accordance with this policy shall not be binding upon the Mountains Recreation and Conservation Authority. Purchases shall not be knowingly staged or separated into smaller units or segments solely for the purpose of evading the requirements of this policy. The responsibility for payment of any and all charges resulting from purchases made which violate this policy may rest with the individual who placed the order and received the merchandise without proper authorization.

## 1.2. PURPOSE

The purpose of this policy is to establish an efficient procedure for the purchase of goods and services at the best value to MRCA, considering lowest possible cost, quality and service needed. The policy enables MRCA to exercise positive financial control over purchases, to clearly define the authority for the purchasing function, and to maintain the quality of purchases.

Adhering to the policy serves to demonstrate fairness, access and opportunity in government contracts and purchasing. Using best practices of competition, best value analysis and government transparency reflects sound management of public funds. This policy is intended for the benefit and protection of public funds and not for the benefit of vendors.

Selecting the purchase that represents the best value to MRCA requires considerations beyond the lowest base price to analyze the Total Cost of Ownership (TCO). TCO includes, but is not limited to, shipping, supplies, maintenance/repairs, labor to operate, warranties, life expectancy, disposal and replacement costs, residual values, etc. For property leases TCO shall also consider down payments, buyout provisions, and balloon payments. When sourcing products through a broker, the commission amount shall be taken into consideration.

### 1.3. APPLICABILITY

Subject to the exceptions outlined herein, this policy is intended to apply agency-wide. Failure to follow the requirements of this policy may subject staff to corrective disciplinary action pursuant to the MRCA Employee Handbook.

This policy shall not otherwise restrict funds ordinarily used by the agency in accordance with funding agreements.

### 1.4. RELATED DOCUMENTS

Additional policies affecting MRCA purchases include, but are not limited to, the Outreach and Advertising Policy, Property Disposal Policy, Appraisal Policy, CAL-card procedures, Labor Compliance Program, and Standard Practices and Procedures (SPPs). Where policies conflict, employees may apply the most stringent requirement or request clarification from the Purchasing Agent.

### 1.5. BUDGET AUTHORITY

All purchases must be authorized via the MRCA's adopted budget.

For purchases that were not anticipated in the adopted budget, the Deputy Financial Officer, in consultation with the appropriate Division Chief(s), may adjust budget category amounts to account for the unanticipated expense. Unanticipated expenses must be offset either by new revenue or reductions. If such adjustments exceed 10% of a budget category total, the Governing Board must approve the revision.

### 1.6. CONFLICT OF INTEREST

Conduct that takes advantage of an employee's position to benefit the employee's interest or the interests of an outside party, rather than the interests of MRCA or the general public, also known as self-dealing, is prohibited. Employees may not use their position or influence for inappropriate self-enrichment.

All vendors to MRCA are prohibited from being related by blood or marriage to any MRCA or Santa Monica Mountains Conservancy board members, or to any MRCA employees or officers that have discretion over the purchase, including but not limited to the selection, award and administration of contracts. Employees that have a relationship with a person or business entity seeking a contract or purchase from MRCA are prohibited from participating in the selection process. Relationships that would cause a conflict of interest for MRCA staff include being related by blood or marriage to any person with a financial stake in the company, including employee's parent, child, spouse, sibling, domestic partner, domestic partner's child, aunt/uncle, niece/nephew, first cousin, grandparent, or grandchild.

Employees may not engage in practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful consideration.

When purchases are funded in whole or part by a grant from the Santa Monica

Mountains Conservancy, approvals and agreements may only be made by MRCA employees. Conservancy employees serving in *ex officio* capacity may not approve such purchases nor sign contracts. These restrictions do not apply to the acquisition of fee interest in land.

The acceptance of any gratuity in the form of cash or merchandise by an official or employee of MRCA, from any vendor or contractor, or prospective vendor or contractor, shall be deemed to be a violation of this policy. The offer of any such gratuity to an official or employee of MRCA by any vendor or contractor, or prospective vendor or contractor, shall be cause for declaring such individual or firm to be an irresponsible bidder and for debarring them from bidding.

Violation of these policies shall be cause for disciplinary action, up to and including termination.

## 1.7. NON-DISCRIMINATION

The MRCA is an equal opportunity employer and will not discriminate on the basis of race, color, national origin, ancestry, religious creed, age, sex, gender (including pregnancy, childbirth, breastfeeding, or related medical conditions) sexual orientation, gender identity, gender expression, genetic information, marital status, military and veteran status, physical or mental disability, medical condition, or any other basis protected by law.

## 1.8. CONFIDENTIALITY

Certain purchasing documents may contain confidential information. Employees shall consult with Chief Staff Counsel, or their designee, prior to releasing documents to the public.

Records of confidential contracts are securely maintained by Chief Staff Counsel. The Contracts Coordinator will keep record of the contract's parties, amounts, dates and accounts.

## 2. DEFINITIONS

### 2.1. ROLES

**Purchasing Agent:** The MRCA's Executive Officer or their designee. The Purchasing Agent oversees general compliance with the Purchasing Policy.

**Contracts Coordinator:** The Contracts Coordinator prepares all contract documents and maintains related records. The Contracts Coordinator may make minor edits to contract template language without further review where such edits do not put additional liability on MRCA or have been previously approved as alternate language.

**Contracts Officer:** The Contracts Officer, appointed by the Executive Officer, signs agreements. Significant changes to standard contract terms shall be approved by the Contracts Officer, after consultation with others as needed.

**Deputy Financial Officer:** The Deputy Financial Officer is responsible for implementing the MRCA's budget and oversees compliance with the policy's purchasing limits and approval requirements.

**Labor Compliance Officer:** The Labor Compliance Officer is responsible for monitoring contractor activity to ensure compliance with the Labor Compliance Program (LCP) and submitting required labor reports.

### 2.2. APPROVALS

All purchase documentation shall be approved by signature, with a minimum of two signatures recommended. All items also require a Project Manager/Supervisor and Deputy Financial Officer or designee approval. Higher-ranking employees may substitute for the listed positions.

Check Requests – Deputy Executive Officer

Contract Requests, Amendments, and Change Orders – Division Chief

Purchase Order – Division Chief

CAL-Card Purchase Increase Authorization – Deputy Division Chief

Petty Cash checks – Accounting Supervisor

### 2.3. PURCHASING LIMITS

Ensuring that MRCA pays fair and reasonable prices and properly manages public funds is the responsibility of all employees. The burden of oversight escalates with responsibilities and is why most purchases must be reviewed by higher-ranking staff.

The limits apply regardless of whether the purchase is via check, CAL-card, purchase order, contract, lease or other means. The Deputy Financial Officer may require preapproval for all purchases exceeding \$1,000 at their discretion, regardless of an

employee's authorized spending limit.

General Staff: \$500

Supervisor: \$1,000

Deputy Division Chief: \$2,500

Division Chief, Director: \$5,000

Chief of Natural Resources and Planning, Assistant Deputy Executive Officer, Deputy Financial Officer, Chief Administrative Officer: \$10,000

Executive Officer, Chief Deputy Executive Officer, Deputy Executive Officer, Chief Deputy Financial Officer, Financial Officer: over \$10,000

### 2.3.a. Purchase Limit Increases

Amendments or change orders that take a purchase over an approval threshold shall be approved per the new total purchase amount. It is not necessary to retroactively approve the original purchase.

## 2.4. DEFINITIONS

The definitions provided are for the purposes of this purchasing policy only and may not be construed to limit other actions by MRCA.

**Construction:** Work performed during the design and preconstruction phases of construction, including, but not limited to, inspection and land surveying work, and work performed during the postconstruction phases of construction, including, but not limited to, all cleanup work at the jobsite. (Labor Code §1720(a))

**Consultant:** A consultant is an outside party that provides professional advice or services. The word "consultant" may be used interchangeably with "contractor" in MRCA's contractual agreements. When the consultant is a non-profit, they may be referred to as "grantee" within the agreement. A "Prime Consultant" is a consultant that also provides management of other entities that do not directly contract with MRCA to provide services.

**Contractor:** The word "Contractor" may be used to refer to any party that enters into an agreement with MRCA to provide services or goods, which are not necessarily related to construction projects. The use of the word "Contractor" in MRCA's contractual agreements does imply any regulatory requirements such as licensure, registration, bonding, insurance, etc. A "General Contractor" is a construction contractor that also provides management of subcontractors and suppliers that do not directly contract with MRCA.

**Emergency:** A sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services. (Public Contract Code §1102)

**Force Account:** MRCA's employee labor force.

**General Operating Services, Equipment and Supplies:** General operating services are services such as janitorial, custodial, security, maintenance, clerical, and other services necessary for the normal course of business. Supplies are commodities consumed in the general conduct of business such as office supplies, janitorial items, law enforcement supplies, uniforms, utilities, fuel, goods, tools, or other items. Equipment is furnishings, machinery, park amenities, vehicles, computers, fire equipment, heavy equipment and other property used in MRCA's business.

**Invitation for Bid (IFB):** The Invitation for Bid, or IFB, process is a competitive bid process. This process is required for purchases over \$25,000 but may also be suitable for other purchases.

**Labor Compliance Program (LCP):** MRCA was approved by the California Director of Industrial Relations to monitor and enforce compliance with state prevailing wage laws on our public works projects. The conditions of this arrangement, including MRCA's responsibilities, are described in MRCA's Labor Compliance Program (LCP) document.

**Maintenance:** Routine, recurring, and usual work for the preservation, protection, cleaning, and keeping of a facility for its intended purposes in a safe and continually usable condition, including landscape maintenance activities.

**Professional Services:** Occupations that require education and training in a specialized body of knowledge including architectural, landscape architectural, engineering, environmental, land surveying, construction management, legal, and appraisal services. Professions are typically regulated by the State or a Professional Body, and usually require a licensure or certification process.

**Public Works Contract:** An agreement for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind. (Public Contract Code §1101)

**Responsible Bidder:** A bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the public works contract. (Public Contract Code §1103)

**Responsive Bidder:** A bidder who has complied with the invitation for bids and other legal requirements. Non-responsive bids may contain material or immaterial variances from the requirements. Bids with material variances must be rejected, while immaterial variances may be waived.

**Request for Proposal (RFP):** The Request for Proposal, or RFP, process is used to purchase goods or services when there are various ways to approach the work, and a professional judgement is material to the work product.

**Short List:** A Short List is a list of potential contractors or consultants that have been determined to hold the qualifications necessary for a particular task. Short Lists may be



generated through a SOQ process or as an initial pre-qualification step in an IFB. Short Lists must be kept current and include enough qualified sources to ensure competition. Federally-funded purchases may be procured from a Short List, but any interested vendors, if qualified, must also be allowed to bid, whether or not they are on the Short List.

**Statement of Qualifications (SOQ):** The Statement of Qualifications (SOQ) process is used to gather information about potential vendors, bidders, or proposers, either for development of a Short List or as a first step in an RFP or IFB to pre-qualify bidders/proposers.

**Subcontractor, Subconsultant:** A subcontractor or subconsultant is an entity that is performing work for MRCA under an agreement with another party, typically a General Contractor or a Prime Consultant. Sometimes “subcontractor” is also used in conversation to refer to a construction contractor that is performing a single trade service for MRCA, in situations where MRCA is performing management of a project (rather than a General Contractor).

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## **3. PURCHASES UNDER \$25,000**

### **3.1. GENERAL**

All purchases under \$25,000 may be made in the open market. Approval by the Governing Board is not required. In all cases, employees shall use best practices to ensure best value purchases and transparency in the use of public funds.

Employees shall perform due diligence by comparison shopping and obtaining multiple bids (three is typical) and selecting the option representing the best value to MRCA. Prices may be obtained from an established Short List at the discretion of the Division Chief. Employees should provide their approver a description of how the selection was researched and made. The approver is responsible for determining whether additional price research is necessary before approving the purchase, considering the nature of the item, market conditions, and other relevant information.

If the option representing the best value to MRCA is not the option with the lowest available price, employee shall document what value judgments were used to determine the selection.

### **3.2. GENERAL OPERATING SERVICES, EQUIPMENT AND SUPPLIES**

There are no additional requirements for the purchase of general operating services, equipment, and/or supplies, other than stated in Section 3.1.

### **3.3. CONSTRUCTION OR MAINTENANCE SERVICES**

There are no additional requirements for the purchase of construction services, other than stated in Section 3.1. Employees are encouraged to use a formal IFB solicitation process, with pre-prepared bid documents and specifications, to ensure comparable bids for the same scope of work, for construction and maintenance services. The procedures for Bid Opening, Bid Award, and Bid Protests will apply (refer to Section 7.4).

#### **3.3.a. Labor Compliance Program**

Purchases over \$15,000 for maintenance services, including alteration, demolition and repair, require payment of prevailing wage (refer to Section 4.3.a for construction services). The Labor Compliance Officer shall be notified of such contracts. Contractors must be registered with the Department of Industrial Relations as a public works contractor and submit certified payroll as required by DIR. Certain language regarding DIR and LCP requirements must be included in the bid and contract documents.

When the purchase is for monthly or recurring services, the time period during which services are needed should be stated in the bid solicitation. The \$15,000 threshold is calculated as the total cost over this period of time. If no length of time for the services is stated in the solicitation, a one-year period shall be used to calculate the threshold.

## 4. PURCHASES OVER \$25,000

### 4.1. GENERAL

All purchases of \$25,000 or more shall be made through a competitive bid process and awarded to the lowest responsive and responsible bidder. In all cases, employees shall use best practices to ensure best value purchases and transparency in the use of public funds.

Work over \$25,000 may be completed by force account without competitive bidding.

The competitive bid process requires publishing a notice inviting bids, which distinctly states the work to be done, at least seven calendar days before bids are due. Notice of the bid may also be provided to individual parties, partner agencies, and/or the general public through additional means including direct contact, MRCA's website and social media. Refer to Section 7.4 for Invitation for Bid (IFB) procedures.

After bids are received and reviewed, one of the following actions may be taken:

- The purchase may be awarded to the lowest responsive and responsible bidder. The determination of "lowest" bid must be calculated from the base bid only, plus required taxes and fees. No bid alternates or options may be considered. Resolutions authorizing purchases shall include a finding that the purchase complies with Public Contract Code section 20815 *et seq.* and MRCA's Procurement Policy. Governing Board approval of a bid award may be waived under limited circumstances, subject to approval by Chief Staff Counsel.
- The Governing Board may reject all bids and re-advertise.
- The Governing Board may elect to make the purchase in the open market. This action requires four (4) affirmative votes (to achieve the required four-fifths vote).
- The Governing Board may elect to perform the services by force account. This action requires four (4) affirmative votes (to achieve the required four-fifths vote). It is not required to have the Governing Board approve use of force account if the work was not first competitively bid.

### 4.2. GENERAL OPERATING SERVICES, EQUIPMENT AND SUPPLIES

There are no additional requirements for the purchase of general operating services, equipment, and/or supplies, other than stated in Section 4.1.

#### 4.2.a. Vehicles and Heavy Equipment

Purchases of vehicles and heavy equipment shall be coordinated with the agency's fleet manager.

## 4.3. CONSTRUCTION OR MAINTENANCE SERVICES

### 4.3.a. Labor Compliance Program

For all construction or maintenance service contracts over \$25,000, payment of prevailing wage is required. The Labor Compliance Officer shall be notified of such contracts. Contractors must be registered with the Department of Industrial Relations (DIR) as a public works contractor and submit certified payroll as required by DIR. Certain language regarding DIR and LCP requirements must be included in the bid and contract documents.

When the purchase is for monthly or recurring services, the time period during which services are needed should be stated in the bid solicitation. The \$25,000 threshold is calculated as the total cost over this period of time. If no length of time for the services is stated in the solicitation, a one-year period shall be used to calculate the threshold.

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## 5. EXCEPTIONS

### 5.1. EMERGENCY

In the event of an emergency, the Executive Officer or designee may take any action authorized by Public Contract Code §22050, including the suspension of the procurement policy and procedures herein. Such actions must be reported to the Governing Board along with the reasons for the action and why the action is necessary to respond to the emergency. This report must be made within seven (7) days, unless the next regular meeting is no more than 14 days away. At each subsequent meeting, the Governing Board shall review the action and determine if there is a need to continue. Approving the action requires four (4) affirmative votes (to achieve the required four-fifths vote). The Governing Board shall terminate the action at the earliest possible date warranted by the conditions. Some funding sources may require additional procedures.

### 5.2. ACQUISITION OF REAL ESTATE

The acquisition of fee interest in land is governed by applicable governing statutes, not by this policy.

### 5.3. PROFESSIONAL SERVICES

Selection of consultants to perform professional services (architectural, landscape architectural, engineering, environmental, land surveying, construction management, legal, appraisal, and other services) shall be on the basis of demonstrated competence and the professional qualifications necessary for the satisfactory performance of the services required. Selection for services that are more of a technical nature and involve little professional judgment may be made on other criteria as determined by the Purchasing Agent.

The information needed for determining competence and qualifications, and the procedures for evaluating such information, shall be established by the Division Chief. Entities under consideration for construction management services shall provide evidence that the individual or firm and its personnel carrying out onsite responsibilities have expertise and experience in construction project design review and evaluation, construction mobilization and supervision, bid evaluation, project scheduling, cost-benefit analysis, claims review and negotiation, and general management and administration of a construction project.

Best practices for professional services include a periodic SOQ to locate qualified vendors and determine fair and reasonable prices.

#### 5.3.a. Use of Brokers

When it is not feasible to competitively bid a purchase, the procurement may be completed using a broker. The use of a broker is appropriate for the procurement of certain specialized items used in the general conduct of business, such as insurance policies.

## 5.4. GRANTS AND COOPERATIVE AGREEMENTS

MRCA may provide funding to another entity in the form of a grant for a specific purpose for a public benefit. Grants are made for the benefit of both the grantee and the grantor. While the work performed may support an MRCA initiative and advance MRCA's mission, a grant agreement is a contract, and grantees assume obligations to perform the work and account for the use of public funds. For the purposes of this policy, grants shall not be considered gifts.

Grants may be awarded to non-profits, community-based organizations, schools, and government entities, but not individuals or for-profit businesses. Grants may be initiated by either MRCA or the grantee. The Division Chief may elect to require IRS 501(c)(3) status. Non-profits and community-based organizations may also enter into contracts with MRCA. If the purchase is subject to competitive bidding, the non-profit or CBO must meet the same requirements as commercial vendors.

Governing Board authorization is required when the grant amount exceeds \$2,500.

### 5.4.a. MOUs and Cooperative Agreements

MRCA may enter into Cooperative Agreements, such as a Memorandum of Understanding, with other entities to exchange goods and services. Cooperative Agreements are appropriate when MRCA's role is more substantial than merely providing funds and general oversight. Governing Board approval of Cooperative Agreements is required.

### 5.4.b. Cooperative Purchasing

Competitive bidding requirements shall not apply to purchases which the Purchasing Agent decides to obtain through a cooperative procedure, being prepared by and processed through another local, state or federal governmental agency pursuant to their applicable statutes. Governing Board approval is required for cooperative purchases greater than \$25,000.

## 5.5. CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)

The California Multiple Award Schedules (CMAS) program is a system where certain vendors have agreed to fixed prices for certain goods, and the State has deemed these prices to be fair, reasonable and competitive. Employees shall perform due diligence into prices to determine whether a CMAS purchase is the best value to MRCA, as a CMAS price may be higher or lower than what could be obtained through a competitive bid or on the open market. Procurements via CMAS must be approved in advance by the Division Chief. Purchases via CMAS that are over \$25,000 are subject to all other provisions of Section 4.

## 6. AMENDMENTS AND CHANGE ORDERS

### 6.1. GENERAL

If the product specifications, quantity, scope of services, price, schedule, or terms for a purchase is modified, documentation of the change is required.

For contracts, amendments are required for both increases and decreases to value, although it is allowable to close out a contract without fully expending the value. A Request for Contract Amendment shall follow the same procedures as a Request for Contract. The Change Order form should be used to amend construction agreements. The Contracts Coordinator must be provided a fully-executed copy of any Change Orders or other documents that modify a contract scope, budget, or timeline.

### 6.2. CHANGES IN VALUE

If the change in value puts the purchase in a different tier, the requirements for the new tier shall apply. This does not apply to requirements that cannot be complied with retroactively, such as publishing a notice inviting bids. If labor compliance requirements are added, prevailing wage requirements will apply retroactively to the entire purchase amount. If the purchase originally required Governing Board approval, approval by the Governing Board of the amendment is required if it, in addition to all previous amendments, will add more than 10% to the total amount, unless the original Governing Board action stated otherwise.

Amendments to contracts are not required for cost increases that are less than 10% of the previous total value, or that add less than \$2,500 to the contract, whichever is smaller. Employees shall denote such overages and the reasons therefor on payment requests.

### 6.3. CHANGES IN SCOPE

Amendments are suitable for minor additions and deletions to the scope of work, and to address conditions that were unforeseen at the time the work was bid/proposed. Minor changes to scope or schedule, but not value, do not require Deputy Finance Officer approval.

Amendments are not suitable for new work that is unrelated to the base scope, or when there is a substantial modification to the work such that a competitive bid process could generate lower costs. In these cases a new competitive process should be conducted.

## 7. PROCEDURES

### 7.1. CALCULATING PURCHASE THRESHOLD

The total cost of the base purchase, including labor, supplies, taxes and fees, shall be summed to determine whether the purchase is above or below the \$25,000 threshold. Work alternatives that are known at the time of procurement, such as materials upgrades or an expanded area of work, shall be included in the sum. Items that are not part of the base scope of work, and could be priced and purchased independently, or from a separate vendor, such as extended warranties or continuing maintenance services, do not have to be included in the sum. Refer to Section 6.2 for the effect of changes in value.

When the purchase is for monthly or recurring services, the total cost over the time period that services are intended is the amount used to calculate the threshold. If no length of time for the services is stated in the bid solicitation documents, a one-year period shall be used to calculate the threshold.

### 7.2. PROCUREMENT DOCUMENTS

All purchases must be sufficiently documented. It is beneficial to describe and pre-authorize in writing purchases of customized goods, professional services, construction work, and other significant or complex purchases.

#### 7.2.a. Contract

It is not necessary to execute a contract for purchases under \$2,500, general operating services, equipment and supplies, or emergency work. For all other purchases, MRCA shall enter into an agreement with the vendor that describes the scope of work, term of agreement, and other terms pertaining to the purchase. Division Chiefs may elect to waive the contract requirement at their discretion. The MRCA's standard agreement should be used wherever possible. Alternate agreements should be reviewed by legal before signature.

#### 7.2.b. Purchase Order

A Purchase Order (PO) is used to document the required approvals of a specific order, often for goods that must be custom ordered, and are utilized when the vendor requires such documentation prior to fulfilling the order. A PO may also specify payment schedules in addition to the item specifications.

### 7.3. RECEIPT OF GOODS AND SERVICES

The receiving employee (regardless of with whom the order originated) shall be responsible for inspection of and accepting or rejecting deliveries of goods and services. The receiving employee shall determine whether the quantity of the delivery is as specified, and whether the quality of the delivery conforms with the specifications referred to, or included in, the purchase.

If inspection reveals that the delivery of goods or services does not conform to the



quantity or quality specified, the receiving employee shall immediately notify the vendor that the delivery has been rejected, and shall order the vendor to make prompt remedy. In case the vendor fails to comply or if deliveries are repeatedly unsatisfactory, the vendor may be declared an irresponsible bidder. Staff may then initiate procedures to procure the needed goods or services from another vendor.

Submission of a payment request by the receiving division shall indicate acceptance of a satisfactory product, unless noted otherwise in the payment request documentation.

## 7.4. IFB - INVITATION FOR BID

The Invitation for Bid (IFB) process is a competitive bid process, which is required for purchases over \$25,000 but may also be suitable for other purchases. To be effective, an IFB must contain a detailed description of what a bidder is to produce and the performance specifications that the work must meet. Sufficient detail about the work and its extent is needed to receive comparable bids that achieve the full scope of work. Compared with the RFP process, there is little emphasis on the bidder introducing their own ideas. Each bidder must be given the same information, including answers to questions asked by other bidders.

### 7.4.a. IFB Components

- Required for purchases over \$25,000: Published notice inviting bids. MRCA generally uses the *Los Angeles Daily News* to publish bid advertisements. Advertising in other publications is allowed when wider or different circulation would be beneficial.
- Required: Notice Inviting Bids (this is a separate document, not the published ad). The Notice Inviting Bids sets the bid schedule including dates, times, and locations for each step.
- Required: Instructions to Bidders. The Instructions to Bidders sets forth the rules of the process and instructions bidders must follow to submit a responsive bid. Requirements for bid bond/guarantee, performance bond, and/or payment bond must be stated.
- Required: Scope of Work/Product Specifications. The Scope of Work/Product Specifications document describes the work to be performed or products to be produced, the project schedule, related work, site access and work restrictions, and other general project requirements. A clear and accurate description of the technical requirements for the item(s) under bid should be included. All requirements that bidders must fulfill must be identified, as well as all factors to be used in evaluating the bids.
- Recommended (if applicable): Site Visit. In most cases, bidders should be required to personally visit the site. If there is not a scheduled mandatory meeting, include a Site Visit Verification form.
- Recommended: Bid Form. Providing a bid form ensures that all bidders provide the same level of detail for their prices.
- Recommended: Bid Submittal Checklist.
- Recommended: Standard Agreement and General Conditions.

- As applicable: Plans and Technical Specifications.
- As applicable: Special Conditions.

#### **7.4.b. Bid Opening**

Bids must be publicly opened and read aloud at the date, time, and place stated in the Notice Inviting Bids. At that time an announcement of the apparent lowest bidder is made.

#### **7.4.c. Bid Award**

After bids have been reviewed and the lowest responsible bidder is determined, a written Notice of Intent to Award Bid shall be distributed to all bidders.

#### **7.4.d. Bid Protests**

The procedures for Bid Protests are described in the Instructions to Bidders. Generally bidders have five calendar days from the date of the Notice of Intent to Award Bid to submit a protest with written evidence and argument refuting the MRCA's decision. MRCA must determine the merits of the protest and issue a Notice of Decision within seven calendar days. This process should be concluded prior to Governing Board action.

#### **7.4.e. Substitutions**

Substitutions of "or equal" products must be allowed, unless the Governing Board makes a finding that a particular material, product, thing, or service is designated by specific brand or trade name to match other products already in use, obtain a necessary item only available from one source, or respond to an emergency (See Public Contract Code §3400). Such finding must be made prior to the commencement of bidding.

### **7.5. RFP - REQUEST FOR PROPOSAL**

The Request for Proposal (RFP) process is used to purchase goods or services when there are various ways to approach the work, and a professional judgement is material to the work product. The RFP process requires proposers to provide information in addition to price, so that MRCA may also consider qualifications, proposed approach, and suitability for the project or purchase. An effective RFP requires a description of the outcome desired, and the proposers provide variations on how to achieve that outcome. Warranties, servicing obligations, and product performance may also be evaluated. Each proposer must be given the same information, including answers to questions asked by other proposers.

#### **7.5.a. RFP Components**

- Required: Scope of Services. Describe the services needed, desired outcomes, and work products. List the qualifications, professions, and specialties needed or desired for the consultant team.
- Required: Proposal Requirements. List out what proposers should submit, such as narrative, resumes, experience and qualifications, their proposed budget and fees, and their proposed timeline and schedule.

- Recommended: Cover Memo. Clearly list out the RFP schedule, contact information, basic scope of work, and site information. State how proposals will be evaluated, and selection made.
- Recommended: Project Information. Describe, as applicable, the project background and history, site conditions, project schedule, and other contextual information.

#### **7.5.b. RFP Evaluation**

The Division Chief shall establish and oversee the evaluation and selection process. A provisional selection may be made on the basis of qualifications, suitability, and other non-price factors, subject to negotiation of fair and reasonable price

### **7.6. SOQ - STATEMENT OF QUALIFICATIONS**

The Statement of Qualifications (SOQ) process is used to gather information about potential vendors, bidders, or proposers, either for development of a Short List or as a first step in an RFP or IFB to pre-qualify bidders/proposers. If the SOQ is a first step for an IFB that will exceed \$25,000, the advertising requirements for that tier shall be followed (see 4.1). Selection decisions consider qualifications only. Each respondent must be given the same information, including answers to questions asked by other respondents.

An SOQ process may be used to develop Short Lists as a convenience for any type of services, however purchases exceeding \$25,000 must still meet the requirements described in Section 4, even if the vendor is on a Short List. Short Lists should be refreshed on a regular basis, with frequency established by the Division Chief.

#### **7.6.a. SOQ Components**

- Required: Submittal Requirements. List out what respondents should submit, such as narrative, resumes and qualifications, relevant experience, and their schedule of rates.
- Recommended: Cover Memo. Clearly list out the SOQ schedule, contact information, and type of services being solicited. State how SOQs will be evaluated, and selection made.
- Recommended: Background Information. Describe, as applicable, the project background and history, site conditions, and other contextual information.

#### **7.6.b. SOQ Evaluation**

The Division Chief shall establish and oversee the evaluation and selection process.