

# **PROCUREMENT GUIDE**



**Procurement Services Division**

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## **Introduction**

This guide has been developed to help provide information and details on the Procurement Process. The information has been developed based on the City's Code of Ordinances, Policies, Procedures and Procurement best practices. Please contact the Procurement Services Division if you have questions or need assistance with the procurement process.

## **Goals**

The Procurement Services Division strives to purchase quality products and services at competitive prices while adhering to existing policies while constantly reviewing those policies in an effort to improve effectiveness and efficiency. The Division strives to provide timely services, and assistance through effective communication and training efforts. The goal of this manual is to improve the communication process with our customers, and to document important procedures to ensure consistency and continuity in operations.

## **The Need for Competition**

Why do we need competition? The Hollywood City Commission and the City Manager recognize that open and fair competition is a basic principle of fair and transparent local government. Competition, by its very nature, reduces the appearance and opportunity for favoritism and inspires public confidence that City contracts are awarded in an equitable fashion, realizing the greatest potential for economic benefit. Complete openness and a high sense of fairness provide an important means of curbing any improprieties and establishing public confidence in the process by which commodities and services are procured.

It is essential to the effective and ethical procurement of commodities and services, that City Departments and Offices use a system of uniform procedures in managing and procuring commodities and services. The principles of fairness and equality are best served when good documentation is maintained, since it is incumbent that our process not only be fair, but transparent as well. Strict adherence to specific ethical considerations by all City officers, employees, and agents, and by the suppliers and contractors is required to maintain the confidence of the public, the City, and the business community, in the expenditures of City funds.

## **An Introduction to the Procurement Process**

The operation of the City of Hollywood requires a tremendous diversity of skill, crafts, trades, and professions and covers a multitude of functions and services. It is, in effect, many teams working together toward the common goal of efficient, effective and economical delivery of services to residents and other constituents. By the very nature of its diversification of enterprises and the large scope of work covered, delegation of authority is necessary.

All personnel acting on behalf of the City are tasked to operate many functions as efficiently and economically as possible. Therefore, it is necessary that everyone work together as a team to eliminate excess effort and waste for the efficient and effective operation of City government.

A Division that has significant operational and financial impact on City government is Procurement. The Procurement Services Division is responsible for the procurement of materials, supplies, equipment, professional, technical, and other contractual services required for City operation. The Procurement Services Division also has a control function to ensure statutes, rules and regulations concerning the purchase and disposal of goods and services are obeyed, and that all transactions are carried out under the highest ethical standards. The Division also provides information resources, research, and information on new products and services, as well as trends and opportunities.

Since all purchases are made with taxpayer dollars, there are many laws, rules and regulations governing how procurement should be conducted in the State of Florida, and in the City of Hollywood; the most important of which is the Purchasing Ordinance. A copy of the Purchasing Ordinance is included in appendix.

This manual has been developed to serve as a framework within which well-informed decisions can be made. Due to the diversity of needs and requirements, and differing rules and regulations governing each type of purchase, not all possibilities can be addressed in this manual. This manual is only intended to act as a guide. Its purpose is to point out the duties and responsibilities of those involved with the procurement function, and to assist in maintaining the City's desire for a fair, open and transparent process. The goal is the promotion of the City's best interests through actions and fair dealings that will result in obtaining the maximum value for each dollar of expenditure.

## **Code of Ethics**

The perception of integrity in government is critical whenever there is an opportunity to award public contracts. Ethical behavior in the contracting process is essential to our efforts to maintain a high level of public confidence and support. In addition, the entire procurement process must be open and transparent in order to ensure that vendors receive equal opportunities to compete for the City's business. In essence, maintaining a strong ethical stance inspires confidence in the process which leads to better competition, lower pricing and an overall higher level of service and value to the City. Therefore, the Procurement Services Division constantly abides by a high ethical standard in our daily dealings with City employees, current and prospective vendors, and the public in general. Just the smallest breach in our standards can result in damage that cannot be repaired, in some cases, for many years.

Every City employee is bound by Florida Statutes, Chapter 112, Part III, Code of Ethics for Public Officers and Employees. If there is any question regarding ethical conduct or action, please contact a staff member from Human Resources, Procurement Services, or a representative from the City Attorney's Office, before any action is taken. Ask these three questions before taking any action which may be construed as unethical:

1. Is it legal?
2. Is it ethical?
3. What would somebody dear to me think if they read about this action in the newspaper?

In addition to the requirements of State of Florida statutes, The Procurement Services Division subscribes to the following Code of Ethics:

- Know and obey the letter and spirit of all procurement policies and regulations and remain alert to the legal ramifications of procurement decisions.
- Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications.
- Refrain from soliciting or accepting money, loans, credits, or prejudicial discounts, and the acceptance of gifts, entertainment, travel, favors, services, or other things of value from present or potential suppliers that might influence, or appear to influence purchasing decisions.
- Do not seek or dispense personal favor, and strive to handle each administrative problem objectively and without discrimination.
- Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of the City. If a situation arises that presents a potential conflict of interest, present the situation to your superiors.
- Never use any information gained confidentially in the performance of official duties as a means of making private profit.
- Reduce the potential for any charges of preferential treatment by actively promoting competition.
- Conduct business with potential and current suppliers in an atmosphere of good faith devoid of intentional misrepresentations. The interest of the City must take precedence.
- Keep the organization informed, through appropriate channels, on problems and progress of applicable operations by emphasizing the importance of the facts.
- Promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle.
- Obtain the maximum benefit for funds spent as an agent of the City.

The guidelines presented above are not intended to provide answers or guidance for every ethical issue that may arise during the course of conducting City business. Reliance on the guidelines, plus the application of common sense and good judgment, will help resolve issues not specifically identified. It is your responsibility to maintain the City's ethical standards. Failure to do so may result in punitive action including dismissal. Ethical behavior is, after all, a requirement and not an option. A copy of the Ethics Ordinance is included in the appendix.

## **Authority**

### **Legal Authority**

The authority for purchases by the City of Hollywood is the City of Hollywood Code of Ordinances, Chapter 38, entitled, "Finance."

### **Supplemental Policies**



In addition to the Procurement Procedures, the City has developed supplemental policies that address certain specific aspects of the Procurement Process with unique characteristics. These policies include the following:

### **Procurement Card**

Specific procedures governing the use of City issued Credit Cards (Procurement Cards) are addressed in the section called “Procurement Cards”.

### **Sole Source Justification**

Specific procedures governing the verification to sole source a good or service are addressed in the section called “Sole Source”

### **Procurement Guide**

The City has developed this Procurement Guide to delineate specific procedures and processes related to the procurement process.

### **Order of Precedence**

This Procurement Guide acts as a supplement to the City of Hollywood’s Code of Ordinances as well as other Procurement Policies and Procedures. If there is a discrepancy between the various documents, the order of precedence is as follows: City Charter, Code of Ordinances, Procurement Policies, Supplemental Policies, and this Procurement Guide.

## **Roles and Authority Levels**

### **Procurement Services Director**

The Procurement Services Director shall be responsible for the purchase of all supplies, materials, construction, contracted services and equipment required by any office, department or agency of the City Government (Hollywood Code Sec. 38.39). Specifically, the Procurement Services Director and the Procurement Services Division shall have the following level of authority in regards to City purchases:

- Procure or supervise the procurement of all supplies and services needed by the City.
- Establish and maintain policies and procedures for source selection, solicitation development requisition entry, specification development, solicitation evaluation, contract award and development, contract administration, inspection, testing, and acceptance in cooperation with the departments using the supplies and services.
- Determine the most appropriate method of source selection.
- Determine the lowest or highest responsive and responsible bidder or facilitate the selection of the most advantageous proposer, as the case may be.
- Coordinate the award, preparation and execution of all agreements, purchase orders, renewals, change orders and contract modifications.

- Approve and issue purchase orders and other documents for the purchase of supplies of goods and services.
- Approve and issue Agreements up to a value of \$25,000.
- Sell, trade or otherwise dispose of surplus supplies belonging to the City;
- Ensure compliance with the Procurement Policies and Procedures by reviewing and monitoring procurements by any designee or department/office.
- Maintain historic files and data related to the Procurement process, as required.
- Serve as a liaison to requesting departments and offices regarding the implementation and training related to purchasing policies and procedures.

#### Financial Services Director

- Direct operational procedures relating to overall department operations, including operations of the Procurement Services Division.
- Review and approve the implementation of the Procurement Services Division Policies and Procedures as needed.

#### City Manager

- Approve and issue administrative policies and procedures related to the Procurement function.
- Review and approve all contracts and renewals in excess of \$25,000 and not in excess of \$50,000, except when City Commission approval is required.
- Review proposed contract awards and renewals in excess of \$25,000.
- Review and approve change orders or contract modifications up to \$50,000.
- Review and approval recommendations to the City Commission for purchases in excess of \$50,000 or when City Commission approval is required.

#### City Commission

- Upon recommendation of City Manager and City staff, review and award agreements during regularly scheduled City Commission meetings for purchases over \$50,000 or when City Commission approval is otherwise required.
- Delegate the appropriate City officials to award and execute agreements over \$50,000.
- The Mayor shall execute agreements approved by the City Commission.

#### City Attorney

- Serve as legal counsel and provide legal services as required related to the purchasing and contracting processes.
- Prepare or review for form and legal sufficiency all contracts and other documents executed by the City.

### Risk Manager

- Recommend standard contract clauses for insurance
- Establish guidelines for determining the type and minimum limits of liability for insurance coverage
- Identify procurements which could have unusual risks and require special coverage or limits of liability
- Review contractor compliance with insurance requirements.

### Information Technology Director

- Review and approve information technology purchases for functionality via IT Equipment/Software Request.

### Financial Services Assistant Director/Budget Director

- Verify that sufficient budgeted funds are available prior to the issuance of any purchase order, contract, change order or contract modification;
- Issue payment on properly approved and documented invoices or direct disbursements;
- Allocate the proceeds from the sale, lease or disposal of surplus supplies.

### Requesting Department/Office

- Prepares, submits and approves via the GEMS financial system, requisitions for all supplies and services.
- Prepare specifications or statements of work for requested supplies and/or services.
- Select the appropriate budget account for the purchase, and ensure that the account is adequately funded prior to the processing of the purchase.
- Provide a recommendation for vendors for all requests that are less than the quotation threshold.
- Supply appropriate documentation to back-up and justify recommendations for purchases, such as Piggyback Request, Quote Approval, Sole Source Justification or Solicitation Request Forms.
- Receive and inspect supplies and report any discrepancies from the original purchase description.
- Prepare resolutions and purchase justification for purchases requiring City Commission approval.
- Manage contracts for services: coordinate initial contact with vendor relating to obtaining appropriate levels of required insurance.
- Establish appropriate communications channels with vendor representatives to ensure that the vendor understands the City's requirements, and to permit for ongoing discussions and feedback.
- Ensure that work is being performed in accordance with the Statement of Work and terms and conditions of the contract.
- Ensure that work is being performed on schedule.

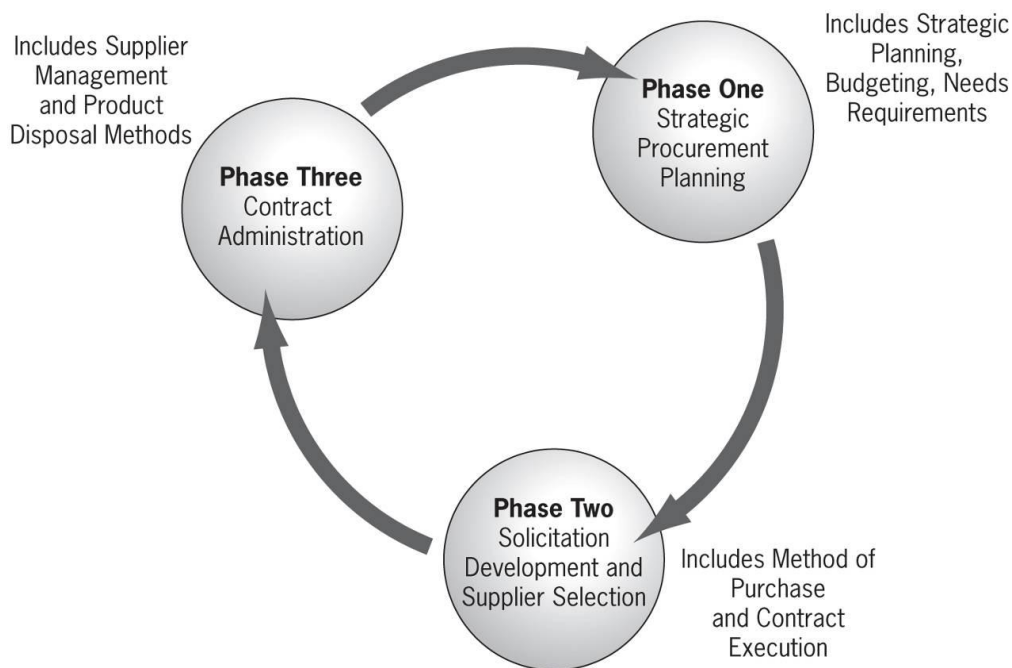
- Approve invoices based upon the percentage of work completed or project milestones.
- Report any performance issues to the Procurement Services Division for resolution.

### Segregation of Duties

It is best practice for no one person to perform more than two of the following functions for any one purchase or contract:

- Initiate/enter or approve the requisition
- Award the purchase order or contract
- Receive the supplies or manage the contract for services
- Authorize payments

### The Purchasing Cycle



### Overview

A common method for understanding the purchasing process is to segregate the various processes into three distinct categories known as the “Purchasing Cycle”. The Purchasing Cycle refers to the steps that are taken throughout the purchasing process. This manual generally follows the purchasing process in the discussion of requirements for making purchases by the City.

## **Steps in the Purchasing Cycle**

The three segments of the Purchasing Cycle are as follows:

*Phase One – Strategic Procurement Planning:* includes needs analysis, purchase planning/budgeting, and development of specification requirements and requisitioning.

*Phase Two – Solicitation Development and Supplier Selection:* includes choosing the proper method of purchase, developing, issuing, evaluating and awarding solicitations, and contract execution.

*Phase Three – Contract Administration:* includes supplier management, follow-up, receiving & testing, bonding, insurance, and disposal of surplus.

## **Requirements**

### **General Authority – Procurement Services Division**

Policy: The Procurement Services Division shall arrange for purchases of all supplies, materials and equipment required by any office, department or agency of the City Government. The ordering department shall be responsible for providing a complete concise description of goods or services required, selecting the proper budget account for the purchase, and identifying a list of vendors if possible.

The Procurement Services Division is authorized by the City's Code of Ordinances to purchase goods, services, and supplies for the City, and to question the specifications on all requests for sole source, requests for supplies of a quantity that are greater or less than required, requests where materials seem inconsistent with the requirement, requests that do not conform to City standards, requests without proper authorization, or any other requests that require clarification. However, the Procurement Services Division will not materially alter specifications without the consent of the requesting Department/Office Director. The Procurement Services Division does reserve the right to change vendors when determined to be in the best interest of the City and in consultation with the Department/Office Director.

### **Requirement for Submission of a Requisition**

A purchase requisition must be submitted and a purchase order issued or a signed agreement issued prior to ordering any commodity/equipment or service, except when purchasing goods or services as permitted by DPV or Procurement Card. Pursuant to Section 38.39 (B)(2), Code of Ordinances, it is unlawful for any city officer, employee, or other person to order the purchase of any materials or supplies, or make any contract for municipal materials, supplies or services other than through the Procurement Services Division and the City shall not be bound by any purchase order or contract made to the contrary.

## Requirements for Quotations Prior to Submitting a Requisition

Annual Threshold	Policy
Up to \$2,500	One (1) written or verbal quotation required forwarded to Procurement Services
Over \$2,500 to \$5,000	Three (3) written or verbal quotations forwarded to Procurement Services
Over \$5,000 to \$15,000	Three (3) written quotations forwarded to Procurement Services
Over \$15,000 to \$25,000	Three (3) written quotations and completed Procurement Services Quote Approval Form forwarded to Procurement Services
Over \$25,000	Formal Competitive Solicitation (Bid, RFP, RLI, etc.) forwarded to Procurement Services

All quotations obtained by the requesting department/office must be entered in the appropriate field of a GEMS purchase requisition. Copies of quotation (documented by requesting department/office) must be submitted to the Procurement Services Division as backup documentation prior to entering and approving a requisition into GEMS. Upon request, Procurement Services Division will assist with obtaining quotations. For purchases of \$15,000 through \$25,000, Procurement Services Division may request an informal bid and for purchases \$25,000 and greater as indicated above, specifications must be submitted to Procurement Services Division for a formal solicitation by completing the appropriate Procurement Services form. (The Procurement Services Division may, at its discretion, solicit quotations for any amount when determined to be in the best interest of the City.)

## Planning

A critical element for any purchase is proper planning. Planning purchases includes developing a strategy for how a purchase will improve the overall quality and efficiency of the level of service delivered by the City. Careful consideration should also be given to resource allocation including the proper determination of acquisition and ongoing operational considerations. Purchases need to be properly matched in order to support operations that in turn support the City's goals, as well as the strategic plan. Many purchases, may have a long-term impact on the overall efficiency and effectiveness of City government, and as such, must be properly vetted and justified with an appropriate business case through the budget process. In addition, good planning of purchases ensures that the City will be able to more efficiently and effectively allocate its resources, including monetary and human resources.

## **Determination of Need**

The procurement process commences with a determination of need by the using department/office. That “need” is formally communicated to the Procurement Services Division via a requisition or Procurement Services form, depending on the expenditure amount. For all major or critical requirements, using departments/offices are encouraged to consult with the Procurement Services Division as early in the process as possible. By doing so, Procurement staff can assist the using department/office in defining requirements, researching alternate solutions, and scheduling the procurement process.

## **Budgeting**

Once a need is determined, the using department/office will need to plan for the purchase through the budget process. It is important that an accurate estimate of cost be obtained, and that proper cost data be included when developing the annual budget request. The Procurement Services Division could provide an estimate of commonly used goods and services, upon request. The budget request will be reviewed and/or approved as appropriate, by the Department Director, the Director of Financial Services, the Assistant Director of Financial Services, and the City Manager’s Office prior to being considered by the City Commission. In addition, requests for major construction or capital equipment will also be subject to the review of the City Capital Improvement Program (C.I.P.). Purchases for new initiatives may not be completed until final approval of the budget by the City Commission and after the beginning of the new fiscal budget year.

## **Existing Cooperative Contracts / Piggy-back Contracts**

The first source for fulfilling a “need” is an existing City contract, or contracts developed through the Southeast Florida Governmental Purchasing Cooperative, (the “Co-op”) of which the City is a member agency. (Co-op Agreements specifically include requirements for City purchases.)

If a City or a Co-op contract does not exist, the Procurement Services Division may look to existing State of Florida Agreements, U.S. GSA contracts, national consortium contracts that have been formally competed, or contracts awarded by another governmental entity, preferably within the State of Florida, upon request of the department/office and join in the contract based on the appropriate approval method.

If the Procurement Services Director determines that the terms and pricing of one of these contracts is competitive; and in the best interest of the City to utilize an existing agreement; the Procurement Services Division may authorize, recommend to the City Manager or recommend to the City Manager for Commission approval the use of the contract by means of a “piggy-back” arrangement. A “piggy-back” arrangement involves the City utilizing pricing from another contract competitively solicited specifically for the use of another governmental entity, but for which pricing may be extended to the City with the express permission of the contract vendor. In addition, the City should obtain the permission of the entity that initiated the original purchase in order to ensure that the City may use the entity’s agreement. If the required supply or service is on an existing contract, often time it could be procured at a fraction of the time required for formal bids. Administrative costs may be reduced. If the using department/office believes there is a continuing “need” for a supply or service, the Procurement Services Division may establish a Blanket Purchase Order to fulfill that continuing “need” based on the appropriate approval method.

All requisitions using a cooperative purchasing bid, piggy-back, State Contract, or GSA contract, must reference the bid name and number and reference any City of Hollywood approval method in the extended description of the requisition. A copy of the bid, which is being piggybacked, shall be on file in the Procurement Services Division and requesting Department/Office prior to issuance of the purchase order. Please refer to the Cooperative Purchasing section of this manual for additional reference.

## **Unauthorized Purchasing Practices**

An unauthorized purchase occurs when any employee of the City orders, contracts for or buys any materials or supplies outside the purview of the City Charter and / or the City Code, Procurement Policy and/or the Procedures set forth in this manual. Any individual making an unauthorized purchase may be subject to disciplinary actions as appropriate, which may include termination and/or prosecution.

There are several ways unauthorized purchases are made. Examples include:

- Purchasing any supplies or services directly from a vendor, bypassing Procurement Services Division.
- Committing to a purchase prior to issuance of an authorized purchase order, when required.
- Obtaining items under contract from suppliers other than those who hold City contracts.
- Providing false information such as false quotations (without actually contacting and obtaining a proposal from a vendor).
- Adding unauthorized purchases to previously approved Purchase Orders without approval of the appropriate approval authority and modification of the purchase order.
- Splitting Requisitions: Knowingly splitting purchases into multiple segments in an attempt to issue single orders below the policy dollar threshold requirements as established is prohibited and will be strictly monitored for compliance.



## **Requisition Preparation**

### **Requirement for Requisitions**

A purchase requisition must be submitted and a purchase order issued prior to ordering any commodity, equipment or service, not procured through the use of a Blanket Purchase Order (BPO), Direct Payment Voucher or a procurement card. Pursuant to City of Hollywood Code Section 38.39 (B) (2), "it shall be unlawful for any city officer, employee or other person to order the purchase of any materials or supplies, or make any contract for municipal materials, supplies or services within the purview of this subchapter (Section 38.35-35.52) other than through the Division (of Procurement Services)."

### **Preparation of a Requisition**

The using department shall complete, approve and submit the electronic requisition via the GEMS System. The requisition shall include all required information. If the requisition requires supporting material, it shall be forwarded to the Procurement Services Division noting the respective requisition number. In addition, the using department/office should also contact the vendor to obtain proof of insurance, in instances where the vendor will be performing work on City property. The insurance coverage required will be determined by the City's Risk Manager, and the vendor must provide the City with a "Certificate of Insurance" document, that names the City of Hollywood as an "additional insured."

### **Items to be Included with the Requisition**

Before entering and approving a requisition for items more than \$15,000, the initiating department must:

- Complete and submit Quote Approval form and provide written quotations to the Procurement Services Division *or*
- Submit complete and concise specifications to the Procurement Services Division when requesting quotations be solicited by Procurement Services Division *or*
- Submit a Sole Source Justification form if requested item is sole or single source.

When obtaining quotations, the individual preparing the requisition shall follow specific guidelines: Provide a complete description of the services and/or item(s) being requested (i.e. make, model, manufacturer, etc.). The more complete the description; the sooner commodity/equipment/service can be procured. Be sure to include specifics on what or how the commodity is expected to perform. It is strongly recommended that written specifications/requirements be provided to the vendors so that all quotations will be based on the same information.

All vendors performing work on City property must have an approved copy of their insurance certificate on file in the Risk Manager. The insurance certificate must comply with the City's insurance requirements and shall name the City as an additional insured. The purchase order will not be issued if the insurance certificate does not have prior approval by the Risk Manager. Should the work being performed involve any type of construction or electrical work, the vendor must obtain any required permit prior to the commencement of work.

Requisitions for purchases in excess of \$25,000 for professional services and \$50,000 for any other goods or services shall not be approved unless those purchases have been formally approved by the City Commission. The City shall utilize a formal sealed competitive solicitation process for the acquisition of items and services over the competitive threshold in accordance with the most appropriate source selection method as detailed in the "Source Selection Methods" section of this manual. Upon formal City Commission approval, the requesting Department/Office shall input a requisition in accordance with the requirements outlined above even if an agreement is in place in order to establish a formal encumbrance of funds. All pertinent information shall be included in the long description, including the Resolution Number as assigned by the City Clerk's Office. Additionally, all relevant documentation must be forwarded to the Procurement Services Division. (This requirement does not apply to recurring expenditures associated with previously approved contracts or purchases, such as a Blanket Purchase Order (BPO) or when not applicable, including but not limited to: utilities, FPL, telephone service, etc.)

## **Approvals**

All requisitions must be electronically approved by the Department/Office Director or designee. Depending on the item being purchased, additional approvals may be required. The approval levels must be entered into the automated GEMS system to give authority as provided by department/office directors. Authority must be given to persons authorized to sign in the absence of their department/office director and their authority dollar limits.

Procurement Services will seek additional approvals in the following instances:

- Technology Equipment, Software & Telecommunications Equipment (Requires the approval of Information Technology Department.)
- Vehicular equipment, gasoline/diesel powered tools and/or equipment, as well as modifications, repairs or alterations to existing City vehicles or equipment (Reviewed by the Director of Public Works or designee.)
- All requests for over-rides of an account budget (Must be approved by the Budget Division .)
- All service related work or delivery (Must be reviewed by the Risk Manager for appropriate insurance compliance.)
- Repairs, additions, construction, renovations, modifications and alterations to City facilities or building systems. This includes but is not limited to: exterior/interior wall finishes, carpeting and floor finishes, exterior/interior doors and locks, roof systems and repairs, partitions, interior trim, ceiling and ceiling finishes, plumbing fixtures, HVAC systems and equipment, lighting fixtures and electrical systems. (Should be reviewed and/or approved by the Public Works Department)

## **Verification of Budgeted Funds**

Purchases without appropriated funding will not be approved by the Procurement Services Division. Funding should be available in the current fiscal year budget before proceeding with a purchase request. Prior to submitting a requisition, the GEMS System automatically verifies sufficient budgeted funds are available to support the request. In addition, the City's Budget Division may review the request to ensure use of the proper account code; however, the using department/office is ultimately responsible to verify the account code or funds availability prior to processing the requisition. There may be circumstances where some costs are delayed. In such cases, funding must be available from the source at the time of purchase, unless otherwise enumerated in the contract.

## **Other Items to Remember When Submitting a Requisition Request**

Freight costs to be included in quotation: The standard terms and conditions of the City Purchase Order form includes the requirement that shipments are Free on Board (F.O.B.) destination, meaning the seller bears all risk until the goods are delivered to the City's specified destination. During discussions with vendors, please remember to obtain the cost of any required freight to be included in the price. It is the City's goal not to pay freight charges if possible.

Any requisitions requesting a check with P.O. must have a copy of the invoice or appropriate price backup submitted to Procurement Services in order to be processed.

All requisitions requesting a sole source procurement must have a Sole Source Justification Form submitted and approved by the Procurement Services Division in accordance with the procedures outlined in the "Sole Source Purchases" section of this manual.

Requisitions for a vendor not currently on the City's vendor list cannot be entered. To add a new vendor the requesting department/office should have a vendor complete a vendor application form with the name, address, city, state, zip code, phone number, fax number, and e-mail address, as well as contact name of the vendor. It is imperative that a complete search is made of the vendor file using the full vendor name prior to requesting a new vendor be added. If the vendor is not on the list, a representative of the Procurement Services Division will enter the information in the vendor system, which will automatically assign a vendor number. The Procurement Services Division will advise the requesting department/office regarding the updated vendor number and information upon entry into the GEMS system. Vendor number requests could take up to one week depending on the completeness of the vendor registration form submitted.

GEMS access: Those who require Government e-Management Solutions (GEMS) access to enter and/or process requisitions must obtain access to the GEMS system, Purchasing module. Access requests should be submitted to Financial Services, General Accounting Division, must include the appropriate account codes to be accessed, and shall be submitted on the City's Access Form and approved by the Department/Office Director available in Word Templates. A GEMS Quick Reference Guide can be found in the appendix.

## **Contracting Process**

### **Contracting Authority**

Pursuant to Hollywood Code of Ordinances, Section 38.39, "Director, Powers and Duties", the Procurement Services Director shall have the authority, subject to the directive of the City Manager, to purchase or contract for all supplies, materials, equipment, contractual services needed by all of the departments, institution, boards, commission and other agencies which derive their support wholly, or in part, from city funds.

### **Overview**

Generally, the Procurement Services Director will be responsible for executing contracts up to \$25,000, as well as purchase order documents which supplement a signed agreement, where the agreement is executed by the City Manager or the purchase has been authorized by the City Commission. Unless otherwise delegated to the Procurement Services Director, signed contracts over \$25,000 but not over \$50,000 will be executed by the City Manager, other than contracts for Professional Services.

Purchase order documents are normally issued for one-time commodity or equipment purchases, where a drop shipment of the merchandise is normally required. A signed agreement is utilized for professional services and construction since the work required usually occurs over a period of time, which may require progress payments, or payments for work completed. The Procurement Services Director is authorized to sign purchase order documents; however, subject to validation of other approvals as may be required herein. If a purchase order is issued as a result of a formal solicitation process, a reference to the appropriate award approval by the City Manager or City Commission shall be included as a part of the text on the purchase order document.

Whenever a signed agreement is utilized to bind the City, the using department/office shall be responsible for entering a requisition into GEMS System in order to encumber funds for the agreement. Procurement Service Division personnel can assist using agencies in the determination of the best method for encumbering a particular purchase.

### **Review of Contracts NOT subject to City Commission Approval (generally below \$50,000 or \$25,000 for professional services)**

Procurement related contracts not subject to City Commission approval must be submitted to the Procurement Services Division for review prior to execution by the City.

After review by the Procurement Services Division, contracts not subject to Commission approval will be routed to the City Attorney's Office for review and approval for legal form and sufficiency.

Upon approval by the City Attorney, the contract(s) will be returned to the Procurement Services Division. Contracts that have been fully executed by the contractor that do not require changes or corrections, will then be forwarded to the City Clerk's Office for routing and execution. (Three original documents must be executed by contractor.)

The City Clerk shall attest to the signatures of the appropriate signatory party on behalf of the City when appropriate.

Upon approval and execution of the contract, the City Clerk, as the City's official recordkeeper, shall maintain one (1) original document and forward two (2) original documents and a certified copy to the Procurement Services Division.

The Procurement Services Division will forward one (1) original contract to the vendor and maintain the other original copy in the Division files. A copy of the executed contract will be prepared and sent to the requesting department/office.

### **Review of Contracts Subject to City Commission Approval (generally above \$50,000 or \$25,000 for professional services)**

Procurement related contracts subject to City Commission approval must be submitted to the Procurement Services Division for review prior to execution by the City.

The Procurement Services Director shall route to the City Clerk all contracts which have been properly executed by the contractor. The City Clerk will then route the original contracts to the City Attorney and the Mayor for review and execution.

The Procurement Services Division with the assistance of the requesting department/office will be responsible for the preparation of a formal resolution recommending the award for consideration by the City Commission. In addition, the requesting department/office may be required to obtain the approval of other department/office directors who may be impacted, the Financial Services Director, and the Risk Manager.

Upon approval and execution of the Agreement by the appropriate City officials, the City Clerk shall maintain one (1) original document. The City Clerk shall then forward two (2) original documents, along with the signed cover letter, to the Procurement Services Division.

One original copy of the award and executed contract will be maintained in the Procurement Services Division and a copy forwarded to the requesting department/office.

## **Specifications**

### **Supplies - Specifications**

**Definition** of a Specification: 1) A precise description of the physical or functional characteristics of a product, good or construction item. 2) A description of goods and/or services. A description of what the purchaser seeks to buy and what a bidder must be responsive to in order to be considered for award of a contract. Specifications generally fall under the following categories: design, performance, combination (design and performance), brand name or approved equal, qualified products list and samples. 3) May also be known as a purchasing description. (NIGP, 2010)

Specifications should be simple, clear, accurate, competitive and flexible. Minimum requirements should be identified and allow for competition, equitable award and measurability, and should include a clear statement of intended use. The specifications portion of a solicitation should not contain bidding instructions, contractual terms and conditions, delivery, pricing formats or sheets, or similar material. Those matters should be addressed separately in the solicitation.

## **Objectives of a Specification:**

A specification should accomplish four objectives:

1. Identify minimum requirements
2. Allow for a competitive bid
3. List repeatable test methods to determine compliance with specifications
4. Allow for an equitable award at the lowest possible cost

**Authority:** The requesting department/office shall have the responsibility to prepare and submit the initial specifications to the Procurement Service Division. The Procurement Service Director has the responsibility to review, revise, approve, maintain and monitor the use of all specifications in coordination with the using department/office. Using department/office should obtain assistance from the Procurement Services Division in drafting specifications.

**Competition:** One of the purposes of a specification is to invite maximum reasonable competition. By its nature, a specification sets limits and thereby eliminates, or potentially eliminates, goods and services outside the boundaries drawn. However, a specification should encourage, not discourage, competition to promote potential savings.

**Types:** There are three basic types of specifications:

1. **Performance Specifications:** Describes the performance characteristics sought in a product or service; emphasizes performance and function over design.
2. **Design Specification:** Establishes the design characteristics an item must possess, including sufficient detail to show how a product is manufactured or work performed.
3. **Performance/Design Specification (Combination):** Combines elements of both performance and design specifications. The City shall, to the extent practicable, emphasize functional or performance specifications.

## **Additional Types of Specifications:**

- a) **Brand Name Specification:** Identifies one or more items by manufacturer name or catalog number. If the estimated value of the requisition exceeds \$15,000, the requesting department/office director should submit written explanation as to why only the brand name item specified will meet the requirements.
- b) **Brand Name or Equal Specification:** Identifies one or more items by manufacturer name or catalog number to describe the standard of quality, performance, and other characteristics to provide a basis for the submission of equivalent products.
- c) **Qualified Products List (QPL):** Provides for an approved list of supplies, services, or construction items described by model or catalog numbers, which, prior to competitive solicitation, have been determined to meet the applicable specification requirements.

**Commercially Available Products:** When developing a specification, the City shall use commercial standards and avoid unique requirements wherever possible.

**Recycled Products:** The City encourages the purchase of products made from recycled materials or environmentally friendly materials and/or products that may be recycled after use.

**Standardization:** Standardization of specifications is the development and adoption of standard requirements for a single product or group of products to be used by all departments/offices.

Standardization may be appropriate when one, or more, of the following conditions exist:

- Involves supplies/operations/equipment, etc., required by more than one department/office
- Will result in substantial energy, inventory or other savings
- Will not severely restrict competition among vendors as determined by the Procurement Services Division
- Will expedite contract repairs and maintenance, and eliminate excessive equipment downtime
- Will facilitate cooperative Purchasing with other governmental entities
- Will facilitate upgrade and/or expansion of existing systems/equipment without retrofit/redesign and without increased system/ equipment operating expense in terms of personnel, training, etc., e.g. computer systems/equipment
- Will eliminate duplication of effort such as with forms design, printing, reproduction, etc.
- It is otherwise in the best interest of the City.

## **Services – Statement of Work**

### **Services vs. Goods**

Service requirements differ from requirements for goods, since goods can be easily evaluated against specific design and performance criteria, whereas services are evaluated by the attainment of a certain level of effort. Therefore, service contracts require the user to develop a more detailed Statement of Work that generally defines specific tasks to be completed.

### **Services – Statement of Work**

Used for Service Bids or Requests for Proposal, the statement of work describes in detail the work to be performed by the contractor for the City. The statement of work should include:

- **Introduction and General Information** – project objective, history, background, contractor qualifications, schedule and desired goals or outcomes.
- **Task Description** – the activities to be performed by the contractor.
- **Deliverables** – the final work product to be provided by the contractor, which may include a report of findings, a study, plans, drawings, specifications or the accomplishment of a task or tasks.
- **Constraints on the Contractor** – including work site conditions, applicable laws, etc.

- **Contractor Personnel Requirements** – the level of experience and expertise required for a contractor to receive a contract award.
- **Contractor Responsibilities** – areas or items that the contractor is expected to coordinate or provide for the City. Responsibilities may include risk protection requirements (insurance, bonds, and public safety), schedule requirements, licensing requirements, permits, coordination of work and sub-contractors or specific tasks to be completed in order to perform under the contract agreement.
- **City Responsibilities** – tasks to be performed by the City that will permit the contractor to perform their work. (Provision of data, payments, existing as built drawings, site access, etc.).
- **Evaluation of Contractor Performance** – measurable criteria and benchmarks developed to facilitate the successful achievement of tasks outlined in the contract.
- **Reporting Requirements and Procedures** – specific information regarding the methodology for reporting progress achieved during the project, which may include provision of feedback during the course of the agreement.
- **Required Legal Certifications and Affidavits** – statutory requirements that require vendors to provide the City with written certification regarding compliance. Such certifications as the State of Florida Drug Free Workplace certification, the Public Entities Crime certification, certification of non-corruption, bid certification, etc.
- **Exhibits** – ancillary documents or representations such as quotation responses, bid and proposal responses, price lists, catalogs or documents provided for clarification, which are incorporated into the contract.

## **Deliveries & Installation**

When requesting delivery of goods or equipment, be sure to provide all necessary requirements for the delivery of the merchandise.

The correct delivery location must be specified at the outset. If multiple delivery locations are required, please indicate all locations, with addresses, contact person(s) and contact telephone number.

Indicate the timeframes when department/office personnel will be available to receive deliveries.

When planning your purchase, please be sure to consider potential transportation costs associated with the delivery of your order. Transportation of a product to the required delivery site is an additional expense to be considered. When the Procurement Services Division requests bids, it includes delivery in the bid price. Transportation is usually described as "F.O.B.: Destination," or "F.O.B.: Point of Origin (or Shipping Point)", which is a direct reference to the point at which title to the good(s) pass from the seller to the buyer. Deliveries that are F.O.B. Destination allows title to pass to the buyer after the goods are delivered and properly received. When the terms of delivery call for F.O.B. Point of Origin, (or Shipping Point), title passes to the buyer at the time shipment of the goods occurs.



Many suppliers will only provide delivery to the “tailgate” of the truck, and will not remove the item. Please specify if the truck is to be unloaded, or if delivery is required inside of a location. Specify “Inside Delivery” if you want the carrier to unload the truck, otherwise, City personnel may be required to unload the merchandise. “Dock Delivery” will require the carrier to unload the truck if there is a raised dock facility. Please note that there may be an additional cost for “Inside Delivery”

If installation is required, be sure to obtain the cost for installation prior to the entry of your requisition. Requirements for installation shall be noted on the requisition (i.e. “Delivered and Installed”).

## **Source Selection Methods**

### **Procurement Method Overview**

The determination of the most appropriate method for source selection is an integral part of the Procurement Cycle. Each purchase is unique in its requirements, and may lend itself to a different method of purchase. Some examples: The purchase of a shovel for \$20 would best be handled through a small purchase acquisition such as a procurement card. It would be inefficient to utilize a formal competitive bid process for a \$20 purchase. On the other hand, the purchase of a \$150,000 bulldozer requires that the City exhibit a high level of accountability to the taxpayers of the City, and therefore, it would be necessary to develop open, fair specifications to provide for a formal competitive bid process.

### **Factors that Impact Source Selection**

The factors that we evaluate in determining the type of source selection method are quite varied. Some of the variables that come into play include, but are not limited to the following:

- What is the cost of the item or service?
- What is the level of standardization of the item or service in the industry?
- What is the level of competition available in the marketplace?
- How much time will it take for the item to be delivered?
- How quickly do we need the item?
- Are we concerned about just price, or do we need to evaluate other criteria such as expertise, experience and quality of work?
- Are there federal, state or local statutes that specifically address the acquisition method?
- Is there a high or low level of contract risk associated with the purchase?
- A combination of two or more of the above.

### **General Overview of Source Selection Methods**

Some of the most common methods of source selection include the following:

- Competitive Sealed Bid (Invitation for Bid – IFB)

- Competitive Sealed Proposal (Request for Proposal – RFP)
- Request for Information (RFI)
- Small Purchases (Quotation, Procurement Cards, Blanket Purchase Orders – BPO)
- Sole Source Purchase
- Emergency Purchases

## Matrix of Competitive Source Selection Methods

The following Matrix of Competitive Source Selection Methods has been included to provide guidance regarding the requirements and characteristics of various methods of competitive source selection. A more detailed explanation of all source selection methods; and the proper deployment of those methods will be outlined in greater detail.

## Methods of Competitive Source Selection

	Small Purchase Not Over \$25,000/yr.	Competitive Sealed Bids	Competitive Sealed Proposals
Solicitation Document	Quotes/Quotations	Invitation for Bid	Request for Proposal Request for Letters of Interest
Purpose	Goods and Services	Goods and Services	Good and Services
Public Notice	No	Yes	Yes
GEMS Vendor List	Yes	Yes	Yes
Documentation: Forms	Quote Form/over \$15,000/yr.	Solicitation Request	Solicitation Request
Specifications	Yes	Yes	Yes
Statement of Work	Yes	Yes	Yes
Terms and Conditions	Yes	Yes	Yes
Pre-bid or Pre-proposal	No	Option	Recommended

Conference			
Amendments	Option	Option	Option
Technical Offer	N/A	N/A	N/A
Statement of Qualifications	No	Yes	Yes
Evaluation of bids/proposals	Yes	Yes	Yes
Discussion/Negotiations	No	No	Yes
Best and Final Offer	No	No	Yes, as applicable
Basis of Award	Lowest, Responsive, Responsible	Lowest, Responsive, Responsible	Most advantageous, Responsive, Responsible

## Competitive Procurement Guidelines

The City has established specific purchasing guidelines based on monetary thresholds. This section will outline specific requirements for soliciting small purchases by City departments/offices. Small purchase requirements pertain to purchases of commodities, supplies and services up to \$25,000, and capital equipment and improvement / construction contracts up to \$25,000. (See below.) Purchases above those thresholds shall be publicly advertised and handled as a formal competitive process, as outlined in "Formal Competitive Solicitations". Contract awards of formal solicitations may require approval by the City Commission unless the final contract value awarded to each vendor is less than the competitive solicitation threshold(s).

## Commodities/Supplies/Services

Annual Threshold	Policy	Acquisition Method	Approval Required
Up to \$2,500	One (1) written or verbal quotation required forwarded to Procurement Services	P-card (up to \$1,000), BPO (as approved), Purchase Order, Direct Payment Voucher (limited items identified on the DPV form)	Procurement Specialist
Over \$2,500 to \$5,000	Three (3) written or verbal quotations forwarded to Procurement Services	BPO (as approved), Purchase Order, Direct Payment Voucher (limited items identified on the DPV form)	Procurement Specialist Contracts Officer
Over \$5,000 to \$15,000	Three (3) written quotations forwarded to Procurement Services	BPO (as approved), Purchase Order, Direct Payment Voucher (limited items identified on the DPV form)	Contracts Officer Procurement Manager
Over \$15,000 to \$25,000	Three (3) written quotations and completed Procurement Services Quote Approval Form forwarded to Procurement Services	BPO (as approved), Purchase Order, Direct Payment Voucher (limited items identified on the DPV form)	Procurement Manager Procurement Services Director
Over \$25,000	Formal Competitive Solicitation (Bid, RFP, RLI, etc.) forwarded to Procurement Services	BPO (as approved), Purchase Order, Direct Payment Voucher (limited items identified on the DPV form)	Procurement Services Director  City Manager or Commission

### Purchases up to \$2,500:

One (1) verbal or written quotation is required for purchases up to \$2,500; however additional quotations are encouraged to ensure competitive pricing. In addition, procurement cards may be utilized for purchases up to \$1,000 as approved by card policy. Verbal quotations should be documented by the requesting Department/Office and forwarded to Procurement Services.

The following acquisition methods are available for small purchases up to \$2,500:

Procurement Cards: Authorized personnel in requesting departments/offices may make small purchases up to \$1,000 pursuant to "Procurement Cards Guidelines".

**Blanket Purchase Orders:** Primarily used to pay monthly invoices for rentals, annual maintenance agreements, commodities such as chemicals. BPO number and BPO line should be referenced and entered into GEMS requisition.

**Examples:** Rental of equipment such as fax machines or photocopiers or any other type of equipment for which the department is billed periodically throughout the year and maintenance agreements for alarm systems, fire extinguishers, pest control service, etc. as established through an approved Procurement process.

**Purchase Orders:** Purchases up to \$2,500 may be made without competition at the discretion of the requesting Department/Office and Procurement Specialist processing the transaction. The requesting department/office is responsible for furnishing one (1) quotation to Procurement Services. If any additional quotations are obtained, those quotations should be maintained by the requesting department/office.

**Direct Payment Voucher:** Certain recurring purchases, because they are available from only one source or are not readily adaptable to competitive purchasing procedures, are exempt from bid requirements. Exempt transactions are listed on the Direct Payment Vouchers (Form DPV.DOT). Only those categories listed qualify as exceptions to normal procurement procedures.

#### **Purchases over \$2,500 to \$5,000:**

Three (3) written or verbal quotations with uniform specifications are required for purchases over \$2,500 to \$5,000 which are not already covered by a Blanket Purchase Order. Verbal quotations should be documented by the requesting department/office. The successful quotation must be confirmed in writing in order to ensure that the vendor abides by the requirements of the purchase. The requesting department/office is responsible for furnishing quotations obtained and should also enter the details on the purchase requisition. Documentation must be submitted to Procurement Services as backup. Upon request, Procurement staff will assist with obtaining quotations.

The following acquisition methods are available for purchases over \$2,500 to \$5,000:

**Purchase Orders:** Purchases over \$2,500 to \$5,000 require multiple written or verbal quotations with uniform specifications, which can be obtained by telephone, fax or e-mail. A written confirmation of the successful quotation must be provided in all instances to verify the successful quotation. All back-up information should be forwarded to the Procurement Services Division along with the requisition. The following minimum information shall be recorded: vendor's name, contact person, address, e-mail and telephone number; requisition number, requestor and requesting department/office; date and time quotation was received; and the price quote for each item, description of each item, including shipping, delivery charges and warranty information (if applicable).

**Blanket Purchase Orders:** Primarily used to pay monthly invoices for rentals, annual maintenance agreements, commodities such as chemicals. BPO number and BPO line should be referenced and entered into GEMS requisition.

**Examples:** Rental of equipment such as fax machines or photocopiers or any other type of equipment for which the department/office is billed periodically throughout the year and maintenance agreements for alarm systems, fire extinguishers, pest control service, etc. as established through an approved Procurement process.

Direct Payment Voucher: Certain recurring purchases, because they are available from only one source or are not readily adaptable to competitive purchasing procedures, are exempt from bid requirements. Those exempt transactions are listed on the Direct Payment Vouchers (Form DPV.DOT). Only those categories listed qualify as exceptions to normal procurement procedures.

#### Purchases over \$5,000 to \$15,000:

Three (3) written quotations with uniform specifications are required for purchases over \$5,000 to \$15,000 which are not already covered by a Blanket Purchase Order. The successful quotation must be confirmed in writing to ensure the vendor abides by the requirements of the purchase. The requesting department/office is responsible for furnishing quotations obtained and should also enter the details on the purchase requisition. Documentation must be submitted to Procurement Services Division as backup. Upon request, Procurement staff will assist with obtaining quotations upon request.

The Procurement Services Division is available to assist requesting department/offices relating to sourcing issues, and potential vendors. The City also maintains a list of vendors delineated by commodity type in GEMS computer system. In addition all back-up information should be forwarded to the Procurement Services Division along with the requisition.

The following acquisition methods are available for purchases over \$5,000 to \$15,000:

Purchase Orders: Purchases over \$5,000 to \$15,000 require multiple written quotations, by return mail, fax or e-mail quotations. At least three (3) firms who specialize in the items required should be contacted. The following minimum information shall be recorded: vendor's name, contact person, address, email and telephone number; requisition number, requestor and requesting department/office; date and time quotation was received; and the price quote for each item, description of each item, including shipping, delivery charges and warranty information (if applicable).

Blanket Purchase Orders: Primarily used to pay monthly invoices for rentals, annual maintenance agreements, commodities such as chemicals. BPO number and BPO line should be referenced and entered into GEMS requisition.

**Examples:** Rental of equipment such as fax machines or photocopiers or any other type of equipment for which the department/office is billed periodically throughout the year and maintenance agreements for alarm systems, fire extinguishers, pest control service, etc. as established through an approved Procurement process.

Direct Payment Voucher: Certain recurring purchases, because they are available from only one source or are not readily adaptable to competitive purchasing procedures, are exempt from bid requirements. Those exempt transactions are listed on the Direct Payment Vouchers (Form DPV.DOT). Only those categories listed qualify as exceptions to normal procurement procedures.

### Purchases over \$15,000 to \$25,000:

Three (3) written quotations with uniform specifications and a completed Quote Approval Form are required for purchases over \$15,000 to \$25,000 which are not already covered by a Blanket Purchase Order. The requesting department/office is responsible for furnishing quotations obtained and should also enter the details on the purchase requisition. Documentation must be submitted to Procurement Services Division as backup. Upon request, Procurement staff will assist with obtaining quotations.

Such quotations may be issued by direct mail, e-mail, or via electronic internet bulletin board. Formal advertising is not required in this instance, however, a date, time and return individual or location should be specified as a part of the quotation. It is required that at least three (3) firms who specialize in the items required be solicited for quotations and a good faith effort be made to obtain at least three (3) quotations, unless it has been determined to not be possible.

It is a procurement best practice that competitive specifications be developed for these quotations. The requesting department/office should work to develop clear and precise specifications for quotation to ensure vendors fully understand and comply with the City's needs.

The requesting Department/Office should submit a completed Quotation Request Form with a complete, detailed and thorough description of the commodity/supply/service requested, including the desired quantity, shipping or delivery requirements and warranty information.

Note – Procurement Services may deem it appropriate to issue a formal solicitation for purchases which are over \$15,000 to \$25,000 threshold.

The following acquisition methods are available for purchases over \$15,000 to \$25,000:

**Purchase Orders:** For purchases over \$15,000 to \$25,000 written quotations and a completed Quote Approval form will be required. Quotations could be solicited by the requesting department/office. Or requesting department/office could request Procurement Services assistance.

The following minimum information shall be recorded: vendor's name, contact person, address, email and telephone number; requisition number, requestor and requesting department/office; date and time quotation was received; and the price quote for each item, description of each item, including shipping, delivery charges and warranty information (if it applies.) Quotations should be received by the requested time and day.

**Blanket Purchase Orders:** Primarily used to pay monthly invoices for rentals, annual maintenance agreements, commodities such as chemicals. BPO number and BPO line should be referenced and entered into GEMS requisition.

**Examples:** Rental of equipment such as fax machines or photocopiers or any other type of equipment for which the department is billed periodically throughout the year and maintenance agreements for alarm systems, fire extinguishers, pest control service, etc. as established through an approved Procurement process.

*Direct Payment Voucher:* Certain recurring purchases, because they are available from only one source or are not readily adaptable to competitive purchasing procedures, are exempt from bid requirements. Those exempt transactions are listed on the Direct Payment Vouchers (Form DPV.DOT). Only those categories listed qualify as exceptions to normal procurement procedures.

### Purchases over \$25,000.00

It is the City's policy for competitive specifications to be developed for a formal solicitation. Requesting department/office should work to develop clear and precise specifications for Procurement Services to issue a formal solicitation and work to ensure all specifications are fair and in compliance with the City's needs. The requesting department/office should complete and forward a Solicitation Request Form along with sufficient back up information to develop draft solicitation documents to be sent back to the requesting department/office for review. Examples of specifications would include the make, model number and estimated quantity or specific units of measurement such as gallons, feet, etc. Specifications should also include the desired results of the purchase.

## **Competitive Sealed Bidding**

### **Overview**

Unless otherwise noted in the City of Hollywood Code, formal competitive solicitations are used for the procurement of supplies and services where the estimated cost is over \$25,000. Using departments/offices should allow a minimum of 90 days between the submission of their complete Procurement Services Solicitation Request Form along with all supporting documents and award of the contract when items must be competitively solicited.

A Cone of Silence will be imposed once it has been determined sufficient information has been provided to Procurement Services to begin drafting a solicitation document. The Cone of Silence prohibits communication between a vendor, potential vendor or its representative and City employees, except for those identified in the Code of Ordinance. Additional information on the Cone of Silence Ordinance could be found below and in the appendix.

### **Invitation for Bids**

An invitation for bid is prepared and issued by the Procurement Services Division. The Procurement Services Division, in coordination with the City Attorney's Office, Risk Manager and requesting Department/Office, is responsible for developing contractual terms and conditions. The using department/office has the initial responsibility to prepare specifications, subject to review and approval by Procurement Services Division. **Note:** Procurement Services Division staff is available to assist, if needed, in the development of the initial specifications or research of similar solicitations.



## **Public Notice**

A notice of bid will be posted on the City's web site and nationally recognized internet bulletin board notification if applicable to the particular purchase. If the Procurement Services Director determines that this advertising method is insufficient or inefficient, other advertising methods may be utilized. The Procurement Services Division may notify applicable suppliers on the City's vendors list of the opportunity by email or US mail. The requesting department/office may recommend additional suppliers to be notified.

## **Cone of Silence**

The City of Hollywood Code of Ordinances Section §30.15(F) imposes a Cone of Silence for certain City purchases of goods and services. The Cone of Silence prohibits communication between vendors and vendor's representatives and City elected officials, management and staff during the period in which the Cone of Silence is in effect.

The Cone of Silence shall be imposed when the City determines sufficient information is available to evaluate the request for a purchase under exemption §38.40(C)(5) of the Code of Ordinance or determines sufficient information is available to draft a formal competitive solicitation.

The Ordinance does allow potential vendors or vendor's representatives to communicate with those employees identified in Section §30.15(F) of the Code of Ordinance or those designated employees for the limited purpose of seeking clarification or additional information. The names and contact information of those employees that may be contacted for clarification or additional information are included in the notice of the Cone of Silence or in a formal solicitation.

The Cone of Silence shall remain in effect until an award is made, a contract is approved, or the City takes any other action which ends the procurement process. When a Cone of Silence is terminated, public notice of the termination shall be posted.

## **Bidders List**

The City may compile Bidders Lists with the names of companies that may be interested in competing for various types of City contracts. The City does not guarantee that companies on the Bidder's List will be assigned contracts.

## **Clarification of Invitation for Bids**

Clarifications: All inquiries and requests for clarification shall be referred to the Procurement Services Division. Personnel in using departments/offices may not respond directly to supplier questions regarding bids as it would be a violation of the Cone of Silence, Section 30.15 (F) of the Code of Ordinances. Any clarification, interpretation, or alterations to invitations for bids must be made in writing and furnished to all known prospective bidders by means of a written addendum document.

*Pre-Bid Conferences:* The City may conduct a pre-bid conference for all prospective bidders. Using department/office personnel will be required to attend the pre-bid conference. Any changes, clarifications or interpretations resulting from the pre-bid conference shall be communicated to all prospective bidders by written addendum. The City utilizes pre-bid conferences to provide an opportunity for vendors to ask questions, receive clarifications, and visit a specific site; as well as to allow the City the opportunity to transmit the same information to all parties at one time. It is recommended that pre-bid conferences be scheduled at least two (2) weeks prior to the Bid Opening. The City will also specify a deadline for written questions to be submitted to the Procurement Services Division. Pre-bid conferences are normally voluntary for bidders, unless there is an overwhelming need for bidders to attend a mandatory pre-bid conference. A situation where inspection of a site must be limited due to security is an example of when a mandatory pre-bid conference is appropriate.

*Communication with Prospective Bidders.* Any communication between a City employee and a prospective bidder regarding the contents of an invitation for bid prior to bid opening, except during a pre-bid conference or by the Procurement Services Division, is expressly prohibited as detailed in the Cone of Silence section of this manual.

## **Bid Receipt and Opening**

Sealed formal bids shall be submitted to the City Clerk's office as designated in the Public Notice and Invitation for Bids. Bids shall be opened publicly in the presence of a representative of the City Clerk's Office and Procurement Services Division staff, at the time, date, and place designated in the Invitations for Bids. The City will not accept bids that are received after the pre-determined date and time.

## **Bid Evaluation**

The contract shall be awarded to the lowest priced bidder who meets the requirements set forth in the invitation for bids. Only criteria set forth in the invitation for bids may be used in the evaluation.

*"Responsive bidder"* is defined as "a person who has submitted a bid that conforms in all material respects to the invitation for bids." Copies of the bids shall be forwarded to the using department for technical evaluation. The using department/office shall submit its evaluation to the Procurement Services Division in writing. If any bid is found non-responsive, the using department/office shall document the reason(s) in writing.

*"Responsible bidder"* is defined as "a person who has the capability in all respects to perform the contract requirements, and the integrity and reliability that will assure good faith performance." A written determination of non-responsibility must be made by the Procurement Services Division. The City may require a bidding vendor to include information that will validate their ability to be considered responsible, including, but not limited to information regarding financial viability; resources, equipment and staffing available to complete a project; and a list of references for similar projects or customers.

## **Non-responsive / Non-responsible Bid**

A bid may be deemed non-responsive or non-responsible and may be rejected if it is determined that any or all of the following circumstances exist:

- That a bid submitted by the bidder did not strictly conform to the required bid specifications; provided, however, the City shall have the authority to waive inconsequential deviations from the specifications where the deviations do not result in a decrease in quality or an increase in price to the City.
- That a bidder has demonstrated, through documented past performance in the industry, or through prior dealings with the City, that it is unable to satisfactorily meet the responsibilities required of a successful low bidder.
- That a bidder's product has been demonstrated, through documented past performance in the industry or through prior use by the City, to be incapable of satisfactorily meeting the accepted demands to be placed upon the product.
- That references contacted have provided unsatisfactory reviews of the bidder's past performance in the execution of work for their entity.

If a bidder is found non-responsive or non-responsible, the bid will be rejected. All rejections must be documented as a part of the formal resolution development process, and shall be made a part of the staff recommendation provided for approval by the City Manager or City Commission, whichever approval level is required.

Each bidder shall be required to comply with various State of Florida and City requirements as enumerated below. The bidder may be required to sign a certification testifying to its compliance. A copy of the City's standard certifications for formal solicitations is included. Bidders must agree to the following:

- That they have read, understand, and intend to perform as required by any contract awarded to them.
- That the bidder certifies by affidavit, that neither the bidder nor any of its officers, partners, owners, agents, representatives, or employees have been engaged in any collusive behavior resulting in diminished competition; or any behavior contrary to any anti-trust legislation.
- In cases where there is a tie for the bid award, the low bidders that maintain a drug-free workplace in accordance with the requirements of Florida Statute 287.087 shall be given a preference when certifying to compliance with this requirement.
- That the bidder does not have a person or affiliate who has been placed on the State of Florida convicted vendor list following a conviction for a public entity crime as provided in Florida Statute 287.133. Individuals and vendors in violation of this requirement may not submit any bids to the City, and any bid submitted by the firm must be deemed non-responsive.

## **Recommendation**

The Procurement Services Division will be responsible for the preparation of an approval memo to the City Manager or any formal Resolution recommending the award of a bid for consideration by the City Commission. In addition, the requesting Department/Office may be required to obtain the approval of other Department/Office Directors who may be impacted, such as the Financial Services Director, Assistant Director/Director of Budget and Risk Manager.

## **Award**

Procurement Services Director. The Procurement Services Director may:

- Award the contract or make recommendation for award to the City Manager or recommend to the City Manager award by the City Commission based on the recommendation of the requesting department/office.
- Recommend the rejection of all bids to the City Manager or City Commission.
- Waive technical variances which by their nature are immaterial, or do not prejudice the rights of other bidders.

### City Manager

If a competitive process results in the City receiving pricing from the successful bidder(s) below \$50,000 (or \$25,000 for professional services,) or when multiple awards are made where each award is under the specified threshold amount, the City Manager is authorized to accept recommendations and execute agreements for acquisitions below \$50,000 (or below \$25,000 for professional services). In addition, the Procurement Services Director may approve acquisitions and execute agreements for acquisitions not in excess of \$25,000. The City Manager reserves the right to recommend for City Commission approval any proposed award below the aforementioned thresholds.

### City Commission

The City Commission shall have the authority to approve all contracts in excess of \$50,000 (or in excess of \$25,000 for professional services.)

## **Documentation of Award**

After the award, a record showing the basis for determining the successful bidder shall be made a part of the procurement file. Documentation should also include an explanation regarding the rejection of any bid, which shall include the detailed specific reasons for rejection of the bid.

## **Competitive Sealed Proposals**

### **Overview**

Competitive Sealed Proposals, more commonly known as Requests for Proposals (RFP) are a competitive acquisition method providing for evaluation based on criteria in addition to price, and provide for negotiation of contract terms, including price, prior to contract award. RFP's are most commonly used when looking for the best approach to a need, rather than simply the lowest price. Criteria may be weighted in order to consider such factors as service, experience, expertise and quality, in addition to price. Proposal evaluation is based on finding the best overall value for the City. RFP's are used for contracts where the estimated cost is more than \$25,000, and:

- The Procurement Services Director determines the use of competitive sealed bidding is either not practical or not advantageous to the City due to a need to make a final award determination by criteria in addition to price.

- When criteria other than price are to be evaluated, and the City is looking for the overall best approach to meet our need. Other criteria may include but not be limited to quality of work, contractor experience and capabilities, unique qualifications to complete a specific project, strength of references and the ability of the proposer to meet the City's schedule.
- Requesting departments/office should allow a up to 90 days between submission of their request and award of the contract.

## **Request for Proposals**

The Request for Proposals is prepared and issued by the Procurement Services Division. The Procurement Services Division in coordination with the requesting department/office, with the assistance of the City Attorney, is responsible for developing the contractual terms and conditions. The requesting department/office is initially responsible for preparing the scope of work, subject to review and approval by Procurement Services Division. Template Request for Proposal documents are available from the Procurement Services Division.

## **Public Notice**

A notice of a call for a Request for Proposals will be posted on the City's web site. If the Procurement Services Director determines that this advertising method is insufficient or inefficient, other advertising methods may be utilized. The Procurement Services Division will notify suppliers on the City's bidders list and/or supplier pre-registered for online notification of the opportunity. In addition, the Procurement Services Division may utilize a nationally recognized internet bulletin board notification if applicable to the particular purchase. The using department may recommend additional suppliers to be notified.

## **Cone of Silence**

The City of Hollywood Code of Ordinances Section §30.15(F) imposes a Cone of Silence for certain City purchases of goods and services. The Cone of Silence prohibits communication between vendors and vendor's representatives and City elected officials, management and staff during the period in which the Cone of Silence is in effect.

The Cone of Silence shall be imposed when the City determines sufficient information is available to evaluate the request for a purchase under exemption §38.40(C)(5) of the Code of Ordinances or sufficient information is available to draft a formal competitive solicitation.

The Ordinance does allow potential vendors or vendor's representatives to communicate with those employees identified in Section §30.15(F) of the Code of Ordinance or those designated employees for the limited purpose of seeking clarification or additional information. The names and contact information of those employees that may be contacted for clarification or additional information are included in the notice of the Cone of Silence or in a formal solicitation.

The Cone of Silence shall remain in effect until an award is made, a contract is approved, or the City takes any other action which ends the procurement process. When a Cone of Silence is terminated, public notice of the termination shall be posted.

## **Notice Requirements for Public Works Projects**

In accordance with Florida Statute 255.0525 and as described herein, notices inviting proposals for public works projects (construction) shall be published at least one time in a newspaper of general circulation within Broward County. For a construction project with a cost greater than \$200,000 but not greater than \$500,000: The publication shall be not less than twenty-one (21) calendar days prior to the scheduled opening, and at least 5 days prior to any scheduled pre-proposal conference. For construction with a project cost greater than \$500,000: The publication shall be not less than 30 days prior to the scheduled opening and at least 5 days prior to any scheduled pre-proposal conference. Federal-aid projects will be advertised a minimum of two times in newspapers of general circulation within the County, the first of which must be a minimum of three (3) weeks prior to the scheduled opening. Exemptions may apply under emergency situations.

## **Clarification of Requests for Proposals**

Clarifications All inquiries and requests for clarifications shall be referred to the Procurement Services Division as specified in the RFP document. In order to maintain the Cone of Silence and ensure continuity in communications, personnel in requesting departments/offices may not respond to supplier questions regarding proposals. Any clarifications, interpretations, or alterations to requests for proposals must be made in writing and furnished to all prospective proposers by means of a written addendum document, which will be issued by the Procurement Services Division. The Procurement Services Division representative responsible for the acquisition will normally work with the requesting department/office contact when preparing clarifications, or answers to other questions.

Pre-Proposal Conferences The City may conduct a pre-proposal conference for all prospective proposers. Requesting department/office personnel will be invited to attend the pre-proposal conference. Any changes, clarifications or interpretations resulting from the pre-proposal conference shall be communicated to all prospective proposers by written addendum. The City utilizes pre-proposal conferences to provide an opportunity for vendors to ask questions, receive clarifications, and visit a specific site; as well as to allow the City the opportunity to transmit the same information to all parties at one time. Generally pre-proposal conferences are scheduled at least two (2) weeks prior to the Proposal due date. The City may also specify a deadline for written questions to be submitted to the Procurement Services Division. Pre-proposal conferences are normally voluntary for proposers, unless there is an overwhelming need for proposers to attend a mandatory pre-bid conference. A situation where inspection of a site must be limited due to security is an example of when a mandatory pre-bid conference is appropriate.

Communication with Prospective Proposers During the proposal process, it is very important to maintain the Cone of Silence and provide continuity of communications to ensure that everybody receives the same information, and that everybody is treated fairly. Communications provided to one proposer, and not all proposers, could result in one proposer having an unfair competitive advantage. Therefore, all communication should be directed through the Procurement Services Division. Accordingly, any communication between a City employee and a prospective proposer regarding the contents of a request for proposals prior to recommendation of the award is expressly prohibited under the Cone of Silence. The Procurement Services Division is available to any employee seeking clarification on this issue. Failure to adhere to this requirement may be subject to disciplinary action, except as follows:

- Pre-proposal conferences
- Proposal discussions conducted during presentations with individual proposers;
- Communications by the Procurement Services Division

### **Proposal Receipt and Opening**

Competitive sealed proposals shall be submitted to the City Clerk's Office. Proposals shall be opened in public by the Procurement Services Division staff with a representative from the City Clerk's Office present. The Procurement Service Division may read aloud the names of the responding proposers; however, no other terms of the proposal will be disclosed at that time.

Proposals received after the specified date and time for closing shall be considered late, and the proposal will be returned to the proposer unopened.

### **Proposal Evaluation**

Award shall be made to the responsible proposer whose proposal conforms to the solicitation and is determined in writing to be the most advantageous to the City taking into consideration the specific evaluation criteria set forth in the Request for Proposals. It should be noted, however, that price, while a highly relevant factor, may not be the most important criterion. Examples of other commonly used criteria are indicated in the section below. The City reserves the right to set unique weights for various criteria used for evaluation. Weights will be determined at the outset by the Project Manager and the Procurement Services Division staff. When evaluating an RFP, the Evaluation Committee may only utilize the factors set forth in the RFP in completing their evaluation, and no other factors or criteria may be used in the evaluation.

Evaluation Committee Prior to the beginning of the formal evaluation process, an Evaluation Committee will be appointed to evaluate proposal responses. The Evaluation Committee will normally be comprised of City employees who will be specifically impacted by the final outcome, as well as subject matter experts who may have a unique perspective related to the purchase, and will generally not have members who are direct reports (subordinates.) A representative of the Procurement Services Division will facilitate the process, and will be responsible for coordinating all of the activities of the Committee, as well as providing guidance during the entire evaluation process.

Evaluation Criteria Evaluation criteria may include, but not be limited to:

- Price (may not necessarily be the most important factor)
- Past Performance
- Demonstrated understanding of the project
- Technical and/or management approach, including proposed methodology
- Ability to meet schedule and budget limitations
- Relevant experience and expertise
- Quality of submission
- Oral presentations
- Availability to perform as reflected by current and projected workloads and the availability of key personnel, equipment and facilities.

**Proposal Scoring** The Evaluation Committee will be required to individually score proposals against the proposal evaluation criteria, in accordance with instructions provided by the Procurement Services Division; however, members will only be allowed to discuss their scoring activities with other members of the committee during formal public meetings of the committee. Evaluation Committee members are also prohibited from speaking with any of the proposing proposers before and during the evaluation process. Proposal scoring shall consider the weights assigned to each individual criterion. For example, if “Past Performance” has a weight of 20 percent of 100 possible points, the most points that may be assigned to a proposer’s response for that factor will be 20 points.

**Reference Checks** During the evaluation process, one or more members of the Evaluation Committee with specific expertise in the area related to the pending purchase may be requested to perform reference checks of proposing proposers. As a matter of practice, proposers are requested to provide the City with a list of their references. Committee members performing such reference checks will be required to document all reference check results in writing. The Procurement Services Division may supply a standard form to be used for reference checks in order to ensure that the same information is gathered from all references.

**Evaluation Committee Meetings** After allowing a reasonable amount of time for the review and scoring of proposals, the Evaluation Committee will meet to discuss their scores in a public meeting, as required by Florida Statute 286.011, which will be transcribed or recorded for archival purposes. All Evaluation Committee Meetings shall be publicly posted by the City Clerk no less than 24 hours in advance of the meeting. During this meeting, the Committee will be able to discuss their specific comments about proposals and proposers, and may make adjustments to their scores based on information disclosed during the Evaluation Committee meeting. The Evaluation Committee will normally determine that several vendors should be selected or “short-listed” for further evaluation and discussions. It should be noted, however, that in certain cases, the Evaluation Committee may determine that a single vendor best meets the requirements of the City, and may recommend that an award be made to that vendor. All scores are to be documented in writing, and will be maintained as a part of the proposal file.



*Discussions & Presentations by Proposers* In the event that the Evaluation Committee determines the need for further discussion with a short-list of proposers, oral presentations by each short-listed proposer will be formally scheduled with the Evaluation Committee. All proposers invited to provide oral presentations will be notified in writing by the Procurement Services Division, along with the names of all other firms invited to provide oral presentations. All oral presentation meetings shall be publicly posted no less than 24 hours in advance of the meeting, and shall be open to the public and transcribed or recorded for the public record pursuant to Florida Statute 286.011. The order for Proposer presentations will normally be determined by lottery.

*Clarification Requests During Evaluation* In some instances, clarifications are required from vendors during the evaluation process. When such clarifications are required, members of the Evaluation Committee should provide their requests for clarification to the Procurement Services Director or designee, who will then request clarification. In many instances, the Evaluation Committee may choose to prepare a set of general questions for all proposers, or questions specific to individual proposers. The Procurement Services Director or designee will then normally forward those questions in writing to the proposer(s), with the request that the proposer(s) either respond in writing, or address the questions during oral presentations.

## **Final Proposal Evaluation Process**

*Price/Cost Evaluation.* Great care shall be taken by the Evaluation Committee in the final evaluation of proposals. While price/cost may not be the most important criterion, the Committee shall carefully evaluate comparative costs between proposers in order to ensure that cost information is accurate and competitive. Pricing may be scored based on a ratio comparison of each proposer's price with the lowest price, by determining the lowest price per technical point, by an overall ranking, by comparison using a standard scenario, or by other means determined to be most advantageous to the City.

*Other Evaluation Criteria* All other proposal criteria shall be carefully considered referencing the results of other information provided which may include, but not be limited to information shown in the narrative of the proposer's proposal, reference checks, analysis of the proposer's financial condition, the level of professional capabilities demonstrated by the proposer, the proposer's ability to complete work within a reasonable schedule, the proposer's success on other similar projects and the proposer's proposed work plan.

*Final Determination* Upon completion of any oral presentations, the Evaluation Committee will rank or re-score proposers based on the information presented using the proposal criteria. Committee members should score proposals in a manner that will readily distinguish the highest ranked firms from lower ranked firms to ensure complete clarity in scoring. The final ranking/scoring will then be the basis for a formal recommendation for award of a contract. All final scoring/ranking information will be maintained in the proposal file.

## **Negotiations & Final Agreement**

*Negotiations* The Procurement Services Director or designee may appoint a negotiation committee following the scoring of presentations. The Negotiation Committee may be directed to negotiate with the highest ranked proponent, or multiple proposers as may be deemed necessary, regarding terms, conditions and pricing, as appropriate.

*Revisions to Proposals During Negotiations* The Procurement Services Director or designee may permit proposers to amend proposals. Although rare, there may be instances when negotiations with multiple proposers are warranted. In such cases, the Procurement Services Director or designee may, after consultation with the City Attorney's Office, also request submission of best and final offers from all firms engaged in the negotiation process. Proposers shall be given fair and equal treatment with respect to revision of proposals.

*Final Scoring* Upon completion of any oral presentations, the Evaluation Committee will rank or re-score proposers based on the information presented. The final scoring will then be the basis for a formal recommendation for award of a contract. All final scoring information will be maintained in the proposal file.

## **Non-responsive / Non-responsible Proposal**

A proposal may be deemed non-responsive or non-responsible and may be rejected if it is determined that any or all of the following circumstances exist:

- That a proposal submitted by the proposer did not strictly conform to the required bid specifications; provided, however, the City shall have the authority to waive inconsequential deviations from the specifications where the deviations do not result in a decrease in quality or an increase in price to the City.
- That a proposer has demonstrated, through documented past performance in the industry, or through prior dealings with the City, that it is unable to satisfactorily meet the responsibilities required of a successful proposer.
- That a proposer's product has been demonstrated, through documented past performance in the industry, or through prior use by the City, to be incapable of satisfactorily meeting the accepted demands to be placed upon the product.
- If a proposer is found non-responsive or non-responsible, the proposal will be rejected, and no further consideration will be given to that proposal during the evaluation process.

Each proposer shall be required to comply with various State of Florida and City requirements as enumerated below. The bidder may be required to sign a certification testifying to its compliance. Proposers must agree to the following:

- That they have read, understand and intend to perform as required by any contract awarded to them.

- That the proposer certifies by affidavit, that neither the proposer nor any of its officers, partners, owners, agents, representatives, or employees have been engaged in any collusive behavior resulting in diminished competition; or any behavior contrary to any anti-trust legislation.
- In cases where there is a tie for the proposal score, the proposers that maintain a drug-free workplace in accordance with the requirements of Florida Statute 287.087 shall be given a preference when certifying to compliance with this requirement.
- That the proposer does not have a person or affiliate who has been placed on the State of Florida convicted vendor list following a conviction for public entity crime as provided in Florida Statute 287.133. Individuals and vendors in violation of this requirement may not submit any bids to the City, and any proposal submitted by the firm must be deemed non-responsive.

## **Final Recommendation Report & Resolution**

The Procurement Services Division, with the assistance of the requesting department/office, will prepare a final memorandum making a recommendation for the award of a proposal, as well as any Resolution requiring the action of the City Commission, as applicable. The memorandum will be routed by the Procurement Services Division, shall be addressed to the City Manager, and shall include the following detailed documentation:

- Recommendation: A synopsis of the recommendation, including the name of the recommended proposer, the product or service to be provided, and the Request for Proposal reference number.
- Issue: A very short description of the specific need that the contract will address for the City.
- Background information detailing the specific reason that the RFP was developed and solicited.
- Detailed synopsis of the competitive process used to arrive at a recommendation, including information detailing what occurred during the solicitation process, dates of issuance and receipt of proposals, the names and number of respondents, and the names and titles of the evaluation committee and committee facilitator.
- Information relating to the analysis process by the evaluation committee, including a summary of results of evaluation committee meetings, names of vendors who were found to be non-responsive, and a list of short-listed vendors who were selected to provide written or oral presentations. The author may also wish to provide the preliminary point rankings as well. If the Evaluation Committee determines that one proposer should be selected without need for further presentations, the author should provide a justification for that selection, and indicate why it was determined that there was no need for presentations. If it is determined that no presentations are required, a synopsis of the point rankings must be provided at this time.
- Synopsis of oral and/or written presentations, including follow-up information provided as a result of proposer clarifications that may be provided as a result of questions that arose during the presentation process.
- A report on ancillary findings by non-committee members who may have provided expert analysis of proposals (i.e. financial analysis by an expert employee, or legal analysis of a contract document provided by the City Attorney).
- Any commentary, comparative charts or graphs or scenario comparisons that demonstrate why the recommended vendor provides the most advantageous response for the City.

- Detail regarding the benefits of the recommended firm, and/or lack of benefits for the use of other firms.
- A summary of overall findings.
- A detailed Fiscal Impact statement, which provides the total estimated cost or cost avoidance for the contract period, a comparison of previous costs to new costs, as well as detailed budget accounts and projects.

## **Award**

The award of a contract shall be made to the responsible proposer whose proposal is determined in writing to be the most advantageous to the city, taking into consideration the price and other criteria set forth in the Request for Proposals. The City reserves the right to waive any and all deviations from the proposal procedure and to award the proposal in the best interest of the City.

### Procurement Services Director

May award the contract below \$25,000 or make recommendation for award above \$25,000 to the City Manager or recommend to the City Manager award by the City Commission based on the recommendation of the requesting department/office. Recommend the rejection of all bids to the City Manager or City Commission. Waive technical variances which by their nature are immaterial, or do not prejudice the rights of other bidders.

### City Manager

In the event that the competitive process results in the City receiving pricing not above \$50,000 or when multiple awards are made where each award is not above \$50,000 (or \$25,000 for professional services,) the City Manager is authorized to award and execute agreements for acquisitions. The City Manager reserves the right to request City Commission approval for any proposal award below the aforementioned thresholds.

### City Commission

The City Commission shall approve all contracts in excess of \$50,000, (or in excess of \$25,000 for professional services.) Procurement Services Division with the assistance of the requesting department/office will be responsible for the preparation of a formal resolution recommending the award of a bid for consideration by the City Commission. In addition, the requesting department/office may be required to obtain the approval of other department/office directors who may be impacted, the Financial Services Director, and the Risk Manager

## **Documentation of Award**

After the award, a record showing the basis for determining the successful bidder shall be made a part of the procurement file. Documentation should also include an explanation regarding the rejection of any bid, which shall include the detailed specific reasons for rejection of the bid.

Procurement Services Division shall notify all proposers by posting a Notice of Intent to Award.

# Request for Information (RFI) or Request for Letters of Interest (RLI)

## Overview

Requests for Information or Requests for Letters of Interest are a method to obtain comment, feedback or reactions from potential suppliers prior to issuing a solicitation. Generally costs are not required, feedback may include industry standards, best practices, technology issues, etc.

## When to Use

**Purpose** The Request for Information or Request for Letters of Interest is a research tool for obtaining data, information, or reactions from potential suppliers pertaining to state of the art technology, designs or technical literature related to products, systems, technologies or services.

**Basis for Award** Contracts are not normally awarded via the Request for Information or Request for Letters of Interest process; however, the City reserves the right to award or seek priced offers from firms who may be short-listed as providing acceptable responses as a secondary phase to this process.

**Public Notice** To ensure fair and equitable treatment of potential suppliers, public notice is given in the same manner as an invitation for bids or request for proposals.

**Cone of Silence** The City of Hollywood Code of Ordinances Section §30.15(F) imposes a Cone of Silence for certain City purchases of goods and services. The Cone of Silence prohibits communication between vendors and vendor's representatives and City elected officials, management and staff during the period in which the Cone of Silence is in effect.

The Cone of Silence shall be imposed when the City determines sufficient information is available to evaluate the request for a purchase under exemption §38.40(C)(5) of the Code of Ordinances or determines sufficient information is available to draft a formal competitive solicitation.

The Ordinance does allow potential vendors or vendor's representatives to communicate with those employees identified in Section §30.15(F) of the Code of Ordinance or those designated employees for the limited purpose of seeking clarification or additional information. The names and contact information of those employees that may be contacted for clarification or additional information are included in the notice of the Cone of Silence or in a formal solicitation.

The Cone of Silence shall remain in effect until an award is made, a contract is approved, or the City takes any other action which ends the procurement process. When a Cone of Silence is terminated, public notice of the termination shall be posted.

**Receipt and Handling of Submittals** Submittals are received and opened the same as technical offers under sealed bids. The City reserves the right to solicit pricing from firms deemed to have provided an acceptable response to the Request for Information or Request for Letters of Interest..

**Evaluation / Specification Committee** Submittals are evaluated by an evaluation or a specification development committee, similar to Requests for Proposals. Recommendations may serve as the basis for developing specifications or a statement of work in a future Bid or RFP.

## **Cone of Silence**

### **Overview**

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The Cone of Silence shall remain in effect until an award is made, a contract is approved, or the City takes any other action which ends the procurement process. When a Cone of Silence is terminated, public notice of the termination shall be posted.

## **Local Hollywood Vendor Preference**

### **Overview**

The following information is a summary of the recent changes to section §38.50 of the City of Hollywood Code of Ordinances approved by the City Commission:

### **Bids**

When the lowest responsive responsible bidder is a non-Hollywood business and a responsive responsible local Hollywood vendor's bid is within 5% of the bid submitted by the lowest responsive responsible bidder, the local Hollywood vendor is allowed to submit a second bid. The second bid must be lower than the bid submitted by the lowest responsive responsible bidder by at least 1% to be awarded. If more than one responsive responsible local Hollywood vendor is within 5%, each would be permitted to submit a best and final offer and the local Hollywood vendor submitting the lowest bid will be awarded the contract; provided, however, if none of the local Hollywood vendors bids lower than the lowest responsive responsible bidder by at least 1%, the non-Hollywood business will be awarded the contract.

### **Requests for Proposals**

When issuing Requests for Proposals (RPFs), a numerical value will be placed or assigned for local Hollywood vendors. For example, a 5-point preference could be provided in the total final scoring.

## Set-Aside Bid Program

Provided there are at least 3 qualified local Hollywood vendors and the estimated annual cost does not exceed \$100,000, bids for *electrical, fencing, janitorial, irrigation/sprinkler systems, landscaping, painting and welding* are Set-Aside for only local Hollywood vendors to bid. Any local Hollywood vendor is permitted up to three Set-Aside bid awards in a fiscal year.

The following language should be included in all standard bids:

*“Local Preference: Pursuant to §38.50 of the City of Hollywood Code of Ordinances, the City shall grant a preference to Hollywood vendors if their initial bid is within 5% of the bid of the lowest responsive responsible bidder that is a non-local Hollywood vendor. The preference shall allow the local Hollywood vendor to submit a second and final offer which must be at least 1% less than the bid of the lowest responsive responsible non-local Hollywood vendor to be awarded. The local Hollywood vendor shall have the burden of demonstrating that it maintains a permanent place of business with full-time employees within the City limits and has done so for a minimum of one (1) year prior to the date of issuance of a bid or proposal solicitation within Hollywood, Florida. All supporting documentation (e.g. City of Hollywood valid local business tax receipt) for local preference eligibility must be received with the bid package prior to the bid opening date and time.”*

The following language should be included in all set-aside bids:

*“Set-Aside Bids: Pursuant to §38.50 of the City of Hollywood Code of Ordinances, the City has determined that this bid shall be set aside for participation by local Hollywood vendors only. No vendor shall receive more than three set-aside bid award contracts in a fiscal year. A local Hollywood vendor that has received at least one set-aside bid award contract in each of three (3) consecutive fiscal years shall not be eligible to participate in set-aside bids for the following fiscal year. If the bids received are not economically comparable to non-set-aside market pricing, the procurement shall be canceled.*

*For purposes of this bid, “local Hollywood vendor” shall mean a business entity which has maintained a permanent place of business with full-time employees within the City limits for a minimum of one (1) year prior to the date of issuance of this bid. The permanent place of business must be the primary place of business of the entity and may not be a post office box or a personal residence. The business must actually distribute goods or services from the permanent place of business. The business must have a current local business tax receipt from the City of Hollywood and must not be publicly traded. All supporting documentation (e.g., City of Hollywood valid local business tax receipt) for local preference eligibility must be received with the bid package prior to the bid opening date and time.”*

## **Small Purchases**

### **Overview**

Small Purchases are used for contracts where the estimated cost does not exceed \$25,000. If the Procurement Services Division believes that during the next twelve months the City has a continuing need for the item specified and the total value will exceed these ranges, either a competitive sealed bid or request for proposals will be used.

Items that may be obtained under current City contracts shall be procured under such agreements and shall not be procured under this procedure.

### **Small Purchase Methods**

The City has identified several methods for making small purchases that fall within the following guidelines. These methods include the following:

- Procurement Card for purchases not exceeding \$1,000.
- Blanket Purchase Order.
- Purchase Order (initiated by a requisition).

### **Procurement Card**

Procurement Cards (P-Cards) are used to pay for smaller dollar value items purchased respectively from the same or different vendors throughout the year. This method covers items that cannot be planned for in advance. The P-Card is an ideal tool for these small purchases. P-Cards are issued in an employee's name with preset spending controls and limits as established under the City of Hollywood's Procurement Card Policies. There is a per-transaction limit for purchases and a monthly limit per P-Card.

There are additional approved purchasing levels base, on specific operational requirements submitted in writing by a Department/Office Director and approved by the Procurement Services Director. P-Cards are only issued upon written request from the Department Director and after the employee has attended mandatory training. The P-Card is intended for small dollar, non-recurring purchases such as miscellaneous supplies, hardware, small tools, auto parts and food supplies. Please refer to the Procurement Card Administrative Guide in the appendix for additional procedural requirements relating to this program.

### **Blanket Purchase Orders (BPO)**

Blanket Purchase Orders are used to purchase a variety of commodities and services used throughout the year to maintain continuity of operations. Blankets should most frequently be issued to restrict funds for items purchased from a vendor who holds a term contract agreement with the city. This process provides the blanket pricing information before an order is placed rather than giving the vendor a "blank check".



Blanket purchase orders may also be issued for small purchases from a specific vendor when it may not be feasible to use a Procurement Card. In all instances, when completing a requisition for a Blanket Purchase Order, you must include “Blanket Purchase Order Request” in the remarks area of the requisition. Used for small and unique purchases made from a single vendor. The blanket purchase order is normally restricted to a not-to-exceed figure. Quotations are not required. Blanket Purchase Orders are primarily used to purchase a variety of commodities and services throughout the year to maintain continuity of operations. A BPO holds a term contract agreement and pricing information before an order is placed rather than giving the vendor a “blank check.” Additionally, a BPO can be used to pay monthly invoices for rentals and annual maintenance agreements.

**Examples:** Rental of equipment such as fax machines or photocopiers or any other type of equipment for which the department is billed periodically throughout the year, and maintenance agreements for alarm systems, fire extinguishers, pest control service, etc.

## **Purchase Order**

The City’s standard purchase order is issued to an individual vendor and serves as a contract document. In addition, the purchase order encumbers funds for the specific purchase. Purchase orders are normally created and issued directly by the Procurement Services Division in response to the creation of a requisition by a department or office. Requisitions are to be entered using the City’s GEMS system. All purchasing requirements for competition, as well as any requirements for insurance must be met before the issuance of a purchase order by the Procurement Services Division. Each purchase order includes a set of standard terms and conditions which can be found in the appendix.

## **The Importance of Back-up Material**

When submitting a requisition it is extremely important to include back-up documentation relating to the purchase. Department representatives should routinely forward copies of all back-up material to the Procurement Services Division once a requisition is entered.

The back-up materials provided should document that proper purchasing procedures were followed while attempting to find the best source to meet your need. Some examples of back-up include:

- Text on the requisition that references a Commission approved resolution.
- Text on the requisition that references a BPO.
- Copies of competitive quotations from multiple vendors.
- Copies of Agreements from other governmental units showing the pricing.
- Copies of Certificates of insurance.
- Specification or scope of service requirements

While this seems like a fairly simple requirement, everyone needs to remember that it is very difficult to approve a purchase request when the Procurement Services Division cannot validate either the accuracy of the information on the requisition, or that proper purchasing procedures have been followed.

In order to make sure that your requisition sails through Procurement Services quickly, please remember to take the following steps when creating a requisition:

- Include any references to resolutions, BPO and other applicable information that may provide helpful information in the "Comments" section of the requisition.
- Make copies of all quotations and applicable agreements from other entities related to the requisition or the recommended vendor and send them to Procurement Services. Be sure to write the requisition number on the front of the documentation package.
- If a vendor will be performing work on City property, please remember to ask for the necessary insurance. Current information regarding the City's standard insurance requirements can be found in the appendix.

## **Shipping & Freight Costs**

Transportation of a product to the required delivery site is an additional expense to be considered. When obtaining quotes, using departments/offices should request the price be quoted including delivery, or delivery costs should be quoted as a separate line item. When the Procurement Services Division requests bids, it always includes delivery in the bid price. Transportation is usually described as "F.O.B.: Destination", or "F.O.B.: Shipping Point". These are legal terms that define when title, or ownership, passes from the seller to the buyer, who is responsible for any loss and who generally pays the freight and transportation costs.

Free on Board (F.O.B.) Destination (preferred shipping method): The risk of loss for goods is borne by the seller until the goods are delivered to the buyer's dock, after which, upon acceptance by the buyer, the risk will pass to the buyer. The seller is responsible for filing all claims for damage in transport with the freight carrier. The City's standard policy, and all standard terms and conditions used by the City require that all shipments to the City shall be F.O.B. Destination unless stated otherwise on the order or quotation.

Free on Board (F.O.B.) Point of Origin a/k/a Shipping Point: The risk of loss for goods passes to the buyer immediately upon leaving the seller's dock. The buyer is responsible for filing all claims for damage in transport. The City discourages the use of F.O.B. Point of Origin or F.O.B. Shipping Point terms as they place a significant amount of risk of loss on the City.

Standard terminology printed on Purchase Order forms requires that all items be shipped F.O.B. Destination, which requires that all shipping and freight costs be included in the vendor's price. When the City chooses to pay freight charges, however, the appropriate terminology will be printed on the Purchase Order document with an additional request that the actual shipping document with pricing be included with the invoicing document. This is a method of protecting the City from paying quoted or estimated freight charges that are not actual. There have been instances where freight charges were quoted and invoiced at a certain amount (such as \$50.00) and the actual charge was much less (such as \$17.00). Staff responsible for processing invoices should be aware of these arrangements and carefully check delivery charges before authorizing payment.

## **Direct Payment Voucher (DPV)**

A Direct Payment Voucher is an order processing application used primarily for processing check requests for certain applications for which there is no competitive purchasing function. In such instances, a department/office may make a request for payment directly to the City's Financial Services Department without processing through the Procurement Services Division, but a copy must be sent to Procurement Services. DPVs have the same approval and signature requirements as a requisition. Only the following transactions are approved for payment using a DPV:

- Subscription
- Dues & Membership Fee
- Postage Meter/Stamps
- Host Account Reimbursements
- Licenses, Permits, Certificates
- Payment to other Government Agency
- Court Cost
- Advertising
- Books
- Educations Courses/Seminars
- Government Publications
- Taxes
- Records/Slides/Films
- Deferred Comp/Bank Payments
- Insurance Premiums
- Grant Disbursements
- Utilities
- Petty Cash Reimbursement
- Recreation Performance Payments
- Temporary Employee Services
- Meal (one-day tri-county travel)
- Parking/tolls (one-day tri-county travel)

- Mileage

## **Piggyback-backing/Cooperative Purchasing**

### **Referenced Documents**

City of Hollywood Code of Ordinance § 38.40 (C) (3) 'Other governmental entities or not for profit contracting.'

The practice of utilizing the price agreement of another entity is known as "piggy-backing". The Procurement Services Director is authorized to piggy-back an agreement of another entity as defined within this section without the requirement to utilize a formal competitive process, if the acquisition is in the best interest of the City, subject to the appropriate approval method. In any case, the contracting vendor must agree to allow the City to piggy-back such agreements in writing, and the City should also attempt to obtain the permission of the contracting governmental entity before entering into an agreement. Any contract awarded will receive the appropriate approval based on the dollar thresholds as stated in the "Award" sections of this manual.

### **Piggybacking**

Because these contracts have been awarded on a competitive basis, further competition by the City is not required. The City may procure supplies, materials, equipment and contractual services which are the subject of contracts with the State, its political subdivisions or the United States government, other governmental entities, or a corporation not for profit whose members are governmental entities, public officers or any combination, which is based strictly on competitive solicitation and not on any preference. The Piggyback Request Form (form details requirements) should be completed and submitted to Procurement Services for review and approval. This form is available in the appendix, in the Word Templates on your computer or on the City's Intranet.

Additionally, the City may purchase supplies, equipment and/or services from award schedules available through the U.S. Government General Services Administration, the State of Florida or any of its political subdivisions, or any competitively competed agreement issued by a national consortium of governmental agencies.

Requests using a cooperative purchasing bid, piggyback, State Contract, or GSA contract, must be submitted via a completed Piggyback Request Form which references the bid name and number, and a copy of the bid, which is being piggybacked, shall be on file in the Procurement Services Division and the requesting Department/Office prior to issuance of any purchase order.

## **Cooperative Purchasing**

### **Referenced Documents**

City of Hollywood Code of Ordinance § 38.46 'Cooperative Purchasing'

### **Cooperative Purchasing**

The Procurement Services Director is authorized to join with other governmental entities for the purchase of supplies or services via cooperative purchasing agreements when the best interest of the city would be served subject to the appropriate approval method.

The City of Hollywood participates in a local governmental co-operative program with other agencies in the Southeast Florida area. In addition, the City also participates in programs offered by certain national consortium groups. In some instances, the City of Hollywood acts as the "lead" agency for a co-operative program. In that role, the City is responsible for collecting required quantity and needs information from other members of the co-operative, preparing and advertising the solicitation, evaluating and awarding contracts, and administering the agreement on behalf of the entire co-operative. Each member of the co-operative, however, is responsible for working with the successful contract vendor(s) in the resolution of its own individual disputes.

Requests using a cooperative purchasing bid, piggyback, State Contract, or GSA contract, must be submitted via a completed Piggyback Request Form, available in the appendix of this manual or on the City's Intranet or Word Templates which reference the bid name and number and a copy of the bid which is being piggybacked, and shall be on file in the Procurement Services Division and the requesting Department/Office prior to issuance of any purchase order.

## **Non-Competitive Procurement / Sole Source Purchases**

### **Referenced Documents**

City of Hollywood Code of Ordinance § 38.40 (C) (3) 'Sole-source supplies and services.'

Florida Statutes F.S. 838.22(2-4)

### **Overview**

Sole-source supplies and services, such as unique, patented, or franchised supplies or services

Cooperative contracts shall not be considered non-competitive.

### **Determination and Record of Non-Competitive Procurement**

Determination Any request for a sole source for purchases of \$2,500 or greater requires a written explanation, in the form of a Sole Source Justification Form, detailing why no other supplier may be suitable to meet the need. Procurement Services staff are authorized to question and obtain additional information necessary to properly evaluate the specifications on all requests for sole source procurements for final determination.

**Statutory Requirements for Sole Source Procurements** Florida Statute 838.22, subsection (2), specifically addresses sole sources, and states that: “It is unlawful for a public servant, with “*corrupt intent*” to obtain a benefit for any person or to cause unlawful harm to another, to circumvent a competitive bidding process required by law or rule by using a sole-source contract for commodities or services.” Furthermore, subsection 3 of F.S. 838.22 states that “it is unlawful for any person to knowingly agree, conspire, combine, or confederate, directly or indirectly, with a public servant to violate subsection (1) or subsection (2).” And, if you enter into an agreement knowing that a public servant has violated F.S. 838.22, it could be considered a crime in accordance with subsection (4) which reads “It is unlawful for any person to “*knowingly*” enter into a contract for commodities or services which was secured by a public servant acting in violation of subsection (1) or subsection (2).”

The key term here is “corrupt intent”; but even though our motives are honest, there still may be some room for doubt on the part of enforcement officials or the general public. Active research and documentation on the part of the individuals involved in the purchase will normally lower the risk of a violation of this statute. The Procurement Services Division will be happy to assist in the research effort.

**Proprietary Specifications** Any proposed procurement based upon proprietary specifications shall require a written determination by the requesting department/office.

**Record of Non-Competitive Procurement** The Procurement Services Division will keep a record of sole source procurements.

## **Sole Source Justification Process**

A department/office may request that supplies or services be considered a sole source after performing research and documenting the findings on a Sole Source Justification Form, available in the appendix of the manual or on the City’s intranet or Word Templates. It is the responsibility of the Department/Office to ensure that a thorough investigation is performed. The form must be completed and signed by the Department/Office Director certifying the validity of the sole source findings.

The completed form shall be forwarded to the Procurement Services Division for processing at least 60 days prior to the actual need to ensure adequate processing time, for review, negotiation, or solicitation as required.

## **Sole Source Justification Form**

The Sole Source Justification form is used to document the facts and related research data to support the request. The Department/Office requesting the sole source purchase is responsible for completing the Form. The Sole Source Justification Form, available in the appendix of the manual or on the City’s intranet or Word Templates will require some of the following information to process:

- Description of the supplies or services
- Vendor details
- Estimated cost (one time and any additional costs in the fiscal year)
- Detail on what makes this a sole source

- Efforts the requesting department/office took to verify
- Documentation provided to certify that the vendor is the only source, such as copyrights, trademark and/or patent
- Documentation provided verifying the goods are the only item compatible with existing equipment

Upon completion of the Sole Source Justification Form, forward the request to Procurement Services Division for review and determination. The Justification form does not declare a Sole Source. It only documents a request to declare the procurement as a Sole Source.

### **Procurement Services Division's Responsibilities**

As part of the review and validation process, Procurement Services staff will prepare a plan of action to survey, explore or make inquiries about the supplies or services requested.

Notice of Intent to Sole Source is posted on the Procurement Service Division Website for five (5) business days.

If City Manager or City Commission approval is required, Procurement Services staff will work with the Department/Office to develop a memo for City Manager approval or an agenda item for City Commission approval of the sole source purchase.

If an alternate resource is offered by a supplier of the supplies or services, the Procurement Services staff shall notify the Department/Office of the need for the preparation of a competitive solicitation.

The Department/Office requesting the sole source will be notified of the approval status/action taken by the Director of Procurement Services or designee.

### **Department/ Office Responsibilities**

Department/Office is responsible for the initial research and submittal of Sole Source Justification form and related information in support of the request to Sole Source.

Upon approval of the Sole Source Justification, the Department/Office shall enter a requisition into the GEMS for processing into a Purchase Order.

## **Emergency Procurements**

### **Referenced Documents**

City of Hollywood Code of Ordinance § 38.40 (C) (1) 'Emergency purchases' are exempt from the competitive bid requirements.

### **Overview**

An emergency condition creates an immediate need for supplies or services that cannot be met through normal procurement methods and the lack of which would seriously threaten:

- The functioning of City operations;

- The preservation or protection of property; or
- The health or safety of the public.

The City of Hollywood Code defines emergency purchases as urgent cases of compelling emergency which require the immediate purchase of supplies or contractual services. This could include but is not limited to emergencies caused by acts of nature, water and wastewater system breakdowns and emergency personnel equipment breakdowns. Please note that the lack of planning by a requesting department/office or unanticipated delays shall not be considered an emergency.

### **Determination of an Emergency**

In emergencies, the City Manager is authorized to direct the Procurement Services Director to secure by open market procedure, at the lowest obtainable price, any supplies or services. All such emergency purchases must receive prior approval of the City Commission, except for the most urgent situation presenting a clear and present substantial threat to life or property where immediate action is required and a quorum of the Commission for an emergency special meeting cannot be obtained before the deadline for action. For those contracts which the City Manager is otherwise authorized to award, he/she may waive competitive bidding under this paragraph without receiving the City Commission's prior or subsequent approval.

### **Emergency Procedures**

When an emergency exists, every endeavor should be made to contact at least two (2) separate sources, unless the City already has an existing agreement, or is able to piggy-back an agreement from another governmental agency to supply the requirements for the emergency.

The following information must be supplied to the Procurement Services Division by the requesting department/office of an emergency purchase order, and will be included as a part of the Purchase Order:

- a) Vendor Name, address & contact information
- b) Brief Description of item(s) purchased
- c) Total amount of the purchase order
- d) Delivery location

A copy of the invoice/receipt will need to be attached to the front of the PO, and a copy returned to the Procurement Services Division as back-up.

The requesting department/office will be requested to provide Procurement Services with the proper expenditure account, unless the Office of Budget has assigned a specific account to be used for all requests related to the incident, in which case, the Office of Budget will provide Procurement Services with that information prior to the execution of any final purchase orders.



**Note:** A requisition will be needed to formalize these purchases. The requesting department/office will enter the emergency purchase order number in the requisition when entering the information into the GEMS system to ensure that it is properly matched up within the Procurement Services Division.

## **Determination and Record of Emergency Procurement**

For all emergency procurements, the requesting department/office shall submit a written justification for the emergency procurement, a copy of which shall be routed to the Procurement Services Director, who will subsequently route the justification to the City Manager for reporting purposes.

## **Other Restrictions**

Term Agreements If a procurement is made pursuant to an existing City agreement to resolve an emergency condition, the purchase shall not be considered an emergency procurement under the Code of Ordinances.

Source Selection Purchases shall be made with such competition as is practicable, however every endeavor shall be made to obtain at least two proposals or quotations.

Insurance Requirement Purchases shall follow the established City insurance and indemnification requirements as approved by the Risk Manager and/or City Attorney.

## **Professional Services**

### **Referenced Documents**

City of Hollywood Code of Ordinance § 38.40 (C) (2) 'Professional Services' are exempt from the competitive bid requirements.

Florida Statute 287.055 the Consultants' Competitive Negotiation Act

### **Overview**

Contracts for professional services involving peculiar skill, ability, experience or expertise, which hold special certification, licensing or appointments, including but not limited to architects, engineers, surveyors and attorneys may, with the approval of the City Commission, be entered into without public competitive bidding or proposals. Qualifications, work history and other relevant data shall be reviewed before entering into such contracts, however, all applicable state laws related to certain professional services including the Consultants' Competitive Negotiation Act (CCNA) shall be followed (FS 287.055), as well as the requirements outlined in Section 3.6 of this manual, "Competitive Sealed Proposals -- Requests for Services of an Architect, Engineer, Land Surveyor and Mapper, or Landscape Architect (CCNA)", for specific requirements relating to professional services which fall under the jurisdiction of CCNA.

Not all professional services are covered under the guidelines of the CCNA (see Section 3.5, of this manual, "Competitive Sealed Proposals"), and in such instances, any resolution presented to the City Commission shall include a written explanation detailing the reason or reasons for the selection of a specific consultant or firm, without the benefit of a competitive process.

# Contracts

## Overview

The Procurement Services Division has an established method for contracts with vendors which may be utilized for various types of goods or services being acquired.

## Purchase Orders

The most common type of contract document is the purchase order. Purchase orders are usually issued for the purchase of commodity and equipment items not available on a term contract agreement. A purchase order may only be considered a contract, however, when it is issued as an acceptance of an offer made by a vendor. Offers include a formal response to an Invitation for Bid or a Request for Proposal (RFP), or an informal written quotation, where pricing is included as a part of the offer. Purchase orders are issued in response to a requisition entered into the GEMS system by the requesting department/office, and will be approved and created by the Procurement Services Division.

Placing an order directly from a catalog using a purchase order is not recommended unless the requesting department/office obtains a written quotation from the catalog vendor. When you place an order directly to a catalog, you are in essence submitting an offer to purchase, rather than an acceptance of an offer to sell. Since most catalogs carry disclaimers that pricing is subject to change without notice, you cannot be assured that the catalog vendor will maintain the same pricing. This problem can easily be avoided by requesting the catalog vendor to provide a written quote. The written quotation becomes an “offer,” which can then be “accepted” by issuance of the purchase order.

As a normal course of doing business, when obtaining written quotations from any vendor, please be sure to request estimated costs for all shipping, handling and freight charges, so that more accurate cost information can be reflected on the final purchase order. Part of your back-up for creating a requisition should include providing the Procurement Services Division with all written quotations to validate that pricing is correct and that competition was obtained.

The Procurement Services Division will validate all information provided on the requisition, make appropriate inquiries of the requesting department/office and vendors, and approve and issue all purchase order documents directly to the vendor, with a copy being forwarded to the requesting department/office.

Each purchase order document includes standard terminology defining requirements for the vendor to follow. A copy of the City’s standard Purchase Order Terms and Conditions can be found in the appendix of the manual. Highlights of items addressed by the Purchase Order Terms and Conditions include the following:

- Items are to be shipped F.O.B. Destination, freight pre-paid. This requires that title to the goods remain with the vendor until delivery and acceptance. The vendor is responsible to pay damage claims.
- The City’s tax-exempt information is provided.
- Purchase Order numbers should be included on all shipments.

- Required seller warranties are included.
- Sellers are required to indemnify the City for damages, losses and liabilities arising out of the operations of Seller pursuant to the Purchase Order specifically including but not limited to those caused by or arising out of a defective condition in the goods.

## **Professional Services Agreement**

Professional Services / Consultant Agreement: An agreement for professional services with a consulting firm, which specifically relates to legal requirements for professional services contracts including, but not limited to architects and professional engineers.

As a means to provide the appropriate level of flexibility and protection for the City, the City Attorney's Office has developed a standard Professional Services Agreement and other contracts, depending on the type of acquisition required.

**The Procurement Services Division will coordinate the final preparation of these contracts, and the requesting department/office should not create or distribute copies of contract documents without the express permission of the Procurement Services Division or City Manager.**

## **Contract Coordination and Issuance**

### **Contract Coordination Process**

The Procurement Services Director or designee shall be responsible for the issuance of signed agreements to vendors as applicable. The purpose of this requirement is to ensure that contract documents are processed in a consistent manner. The Procurement Services Director or designee shall provide appropriate instructions to the vendor related to the execution of the agreement, and shall be responsible for the coordination of the resolution of any contract issues which may occur upon issuance of the agreements to the vendor. Contractors are required to execute at least three (3) original contract documents, and return the executed originals to the Procurement Services Division. The Procurement Services Division will then check for accuracy and completeness, and coordinate the process of routing the contract for execution through the City Clerk's Office.

### **Contract Issuance**

Upon completion of all review action, including actions as appropriate by the City Attorney, the City Manager, the Mayor and Commission, and the City Clerk, the Procurement Services Division will issue an original agreement to the vendor and send notification releasing the Cone of Silence when applicable. The City Clerk will maintain the official City copy of the Agreement.

## **Contract Administration**

### **Delivery and Receiving**

Whenever the City contracts for the purchase of goods or services, we expect our vendors to make deliveries to us in a timely fashion. There are situations, however, where we may need to obtain goods in a more expedient fashion, or where the vendor is delayed in their deliveries for some reason or another. When goods are needed in a more expedient fashion, the requesting department/office may wish to contact the vendor to expedite the shipment. In some instances, expediting a shipment may carry an additional cost, and that cost needs to be factored into the decision of how and when an order is expedited.

Following-up is simply the process of checking with the vendor to determine the status of an order. If an order is delayed, either through the fault of the vendor or because of extenuating circumstances, the specific conditions related to that order should be factored into the decision of what to do next. The Procurement Services Division should be involved if there are issues related to late deliveries, and it may be determined to follow one of the following strategies for coping with late deliveries:

- If the items ordered are not critical, the City may choose to simply allow the vendor more time, especially if there are shortages in the marketplace.
- If items are critical, the City may wish to consider paying for expedited shipments, or requiring the vendor to pay for such shipments if it is determined that the delay is a result of poor performance on the part of the vendor.
- The City may wish to consider receiving a reduced quantity of items to get us through until the full shipment can be received.
- The City may consider allowing the vendor to provide a substitute product; however, care should be taken to ensure that the substitute product is of equal or better quality. If the delay is a result of poor vendor performance, no additional payment should be authorized by the City for substitutes of equal or better quality, and substitutes of lesser quality should not be entertained without a price decrease.
- The City may wish to cancel the vendor's contract if delivery is not received within the anticipated timeframe, since non-delivery of goods within the scheduled timeframe may be considered a contract breach. The City may then procure the goods from alternate sources, and under the Florida Uniform Commercial Code (F.S. Chapter 672 et.al.), the City has the right to collect any additional cost for the procurement of conforming goods from the vendor who breached the contract. This is known as the right to "cover" under the Uniform Commercial Code.

### ***Inspection & Rejection of Goods***

#### **Referenced Documents**

City of Hollywood Code of Ordinance § 38.44 (A) 'Inspection by using agency.'

All personnel should adhere to the following requirements regarding the receipt of goods:

Upon receipt of goods, the requesting department/office has the right and obligation to inspect the goods to ensure that they conform to the requirements of the purchase order or contract. Additionally, the City may reject goods that fail to conform to the requirements of the contract or purchase order, and, may receive replacement goods or monetary remuneration in the event of a contract breach by the vendor. These rights are protected under the Florida Uniform Commercial Code (F.S. Chapter 672 et.al.)

The requesting department/office should immediately note any discrepancies, and if the products received do NOT conform to the requirements of the order. If the items are delivered in the supplier's vehicle, the goods should be rejected and returned to the vendor immediately if damage is noted. All discrepancies shall be noted in a receiving report to be maintained by the requesting department/office on a Vendor Performance Form, available in the appendix of the manual or on the City's intranet or Word Templates for future use.

If the products are delivered by a shipping company (common/commercial carrier), and visible or concealed damage is discovered, the receiver should refuse delivery if possible. If this is not possible, and the driver refuses to open the carton, or fails to wait for inspection, the receiver should write a statement on all copies of the delivery ticket such as: "Except for concealed damage" or "Subject to Inspection", and sign the document. Be sure to retain a copy for your records.

## **Testing**

### **Referenced Documents**

City of Hollywood Code of Ordinance § 38.44 (B) 'Testing.'

Any requesting department/office or the Procurement Services Director may request any testing necessary of samples submitted with bids and/or samples of deliveries to determine their quality and conformance with specifications. This testing may be conducted by an outside laboratory. Sometimes where testing regularly is required (such as asphalt), the Procurement Services Director may request the services of an outside testing firm to conduct tests. The process of contracting for a testing firm shall be in accordance with all applicable product specifications.

### **Damaged Goods**

The City's standard policy is to purchase all goods F.O.B. Destination. This means that title to the goods belong to the vendor until acceptance by the City. As a result, if damage occurs during shipment, the vendor should be notified immediately of such damage, so that the vendor can file the appropriate claims with the shipper. The City should not accept goods that are visibly damaged, and the damage should be noted on the receiving report.

Care should be taken to rapidly inspect goods and equipment to ensure that they are workable. Latent, or hidden defects, often are not visible upon receipt of a shipment, therefore, every attempt should be made to inspect and test items as soon as feasibly possible. The following steps should be taken when damage is noted:

- Carefully examine each carton for external damage. If damage is visible, note this fact on the delivery receipt and have the driver clearly note that fact on his copy.
- Take photographs of the damage whenever possible. If the carton has the appearance that contents inside may possibly be damaged, insist that it be opened at that time, and both you and the driver should make a joint inspection of the contents. Any concealed damage discovered should likewise be noted on the delivery receipt and on your copy. Be sure to retain your copy.
- Retain damaged items delivered by a common/contract carrier: Damaged items cannot be used or disposed of without written permission of the vendor. Not only must the damaged items be held at the point where received, but the containers and all inner packing materials **MUST** be held until an inspection is made by the inspector.
- Do not return damaged items to vendor: Return of such items shall be made only with written authorization from the vendor. When authorization is received from the vendor, the item(s) shall be returned, with all shipping costs to be paid by the vendor or carrier.
- Contact the carrier/vendor to report the damage and request inspection: The call should be placed immediately upon discovery of the damage, but under no circumstances should it be put off longer than 10 days after delivery. Failure to report concealed damage within this 10 day period may result in the carrier denying your claim.
- Confirm the call in writing and follow up by e-mail: This will document that you have contacted the vendor/carrier within the 10 day timeframe. Include a copy of the written confirmation with your procurement documentation. Please provide a copy of your documentation to the Procurement Services Division.

Once the product is picked-up, a receipt shall be obtained from the carrier, and that receipt shall be forwarded to the Financial Services Accounts Payable Section to be matched-up with the invoice.

When damaged items are inspected, the City has the obligation to maintain the damaged item(s) in a safe and secure environment, where additional damage cannot occur. Specifically, the requesting department/office or Procurement Services, as appropriate, shall preserve the damaged item(s) and ensure damaged items are not removed from the receiving area prior to inspection of the packing materials and freight bill. Be sure to retain your delivery receipt, as it will be needed as a supporting document when the claim is filed, and will need to be provided to the Accounts Payable Section as back-up for the invoice.

Once the inspector has prepared the inspection report, carefully read it before signing. If you do not agree with any facts or conclusions made by the inspector on the report, do not sign it. Unless repairs are completely satisfactory, be sure the inspector requests replacement on the inspection report. A new item can be ordered only if the inspection report specifies "Replace".

Forward your copy of the inspection report and delivery receipt to the Financial Services Accounts Payable Division to match-up with the invoice with a copy to the Procurement Services Division. The Procurement Services Division will then ascertain if the shipment was in fact FOB Destination and if so, the Procurement Services Staff will forward all paperwork to the supplier and make necessary adjustments, i.e., a replacement, a request to return damaged goods, etc. If it is determined that shipment was FOB Shipping Point, the Procurement Services Division will file the claim with the carrier.

# Insurance

## Overview

As a means of protecting the City; the City of Hollywood requires that all vendors performing work on City Property or performing work on behalf of the City must provide proof of insurance. Vendors must have an approved copy of their current Certificate of Insurance on file with the requesting department/office and the Procurement Services Division prior to starting work.

A purchase order or agreement will not be issued if an insurance certificate is not on file that meets established criteria. Neither the contractor nor any subcontractor (if applicable) shall commence any work under their contract until they have obtained all insurance required under the contract provisions. Any sub-contractor used by the contractor shall supply such similar insurance required of the contractor.

## Using Department Responsibilities

One of the causes of delay of purchase transactions is failure to obtain compliant insurance certificates from vendors. It is the requesting department/office's responsibility to obtain a compliant insurance certificate to forward to the Procurement Services Division along with back-up quotes for their requisitions per policy thresholds.

The requesting department/office and the Procurement Services Division will maintain current insurance information on file. Proof of updated insurance certificates will be required for firms for purchase order/contract approval.

## Standard Insurance Requirements

When a vendor is to perform work on City of Hollywood property or perform work on behalf of the City, as a general rule, the following insurance must be provided, general liability insurance, automobile liability insurance and workers compensation insurance. The required limits will be contingent upon the nature and extent of the project or activity. The City will be included as Additional Insured on all policies except workers' compensation. Contact Risk Management for assistance if needed.

The level and types of insurance coverage required may vary depending on the type of risk exposure to the City. The Risk Manager may determine that additional insurance requirements should apply to a given situation, or that certain requirements may be waived.

## Additional Insurance Guidelines

All insurance carriers shall be rated at least A-, VII per A.M. Best's Key Rating Guide and be licensed to do business in the State of Florida. Each carrier will be required to give the City thirty (30) days notice prior to cancellation.

Expiration dates must be checked to ensure the policy is in effect during the term of the agreement

Copies of all insurance certificates will be forwarded to the Procurement Services Division, and the requesting department/office shall maintain copies for its files.

The City may require that the contractor provide Professional Liability Insurance. If the contractor is providing professional services the contractor must provide the City with evidence of professional liability insurance with minimum limits established by the Risk Management Division.

Workers' Compensation insurance must meet statutory limits. If the company does not carry Workers' Compensation insurance, they must provide either a) certificate of exemption issued by the State of Florida, or b) letter from the company signed by a corporate officer attesting to the fact that the company is exempt. Subject to Risk Management approval

## **Procurement Services Division Responsibilities**

Procurement Services Division staff will review insurance certificates for compliance with the City's standard insurance requirements. If the certificate meets the standard requirements, Procurement Service Division staff has the authority to approve the certificate and move forward as appropriate. All insurance certificates not meeting the requirements will be forwarded to the Risk Manager for further review.

## **Risk Management**

The Risk Manager is ultimately responsible for setting insurance limits for the City, and acts in an advisory capacity regarding insurance standards. The Risk Manager or Designee may be requested to review responses to requests for insurance coverage that may vary from the norm. The Risk Manager will consider the specific level of risk for those unique situations, and determine if the level of insurance is adequate to match the level of potential risk. The Risk Manager has the authority to waive requirements if it is determined that the level of insurance will be adequate for the circumstances and may require that additional coverage be required if there is an additional level of risk that may be associated with a particular project.

Procurement Services Division personnel may request that the Risk Manager conduct a risk assessment of unusual circumstances or large scale projects prior to the issuance of competitive solicitations, to ensure that the appropriate level of coverage is required. Upon receipt of recommendations from the Risk Manager, additional coverage requirements will be incorporated as a part of the solicitation document.

## **Payments**

### **Referenced Documents**

Florida Statutes F.S. 218.70 "Local Government Prompt Payment Act"

### **Overview**

The City of Hollywood is committed to making payments in a timely fashion. Timely payments also help to ensure that the City maintains a good credit rating and a good bond rating. Most importantly, timely payments mitigate the contractor's level of risk, which results in the City being a very attractive entity to attract vendors, thus improving our overall level of competition while resulting in greater cost savings for the City.



## **The Importance of Timely Receipt of Merchandise**

Once a product is received, it is necessary for receiver to process the Purchase Order and submit to Financial Services. Merchandise that conforms to the requirements of the City's contract should be received immediately, upon verification that the merchandise complies with the City's needs and requirements. Florida Statutes F.S. 218.70, the "Local Government Prompt Payment Act"

### **Non-compliant Merchandise**

If products received are damaged, or not compliant with contract requirements, the City should either not pay for the merchandise, or make payment for only that part of a shipment that conforms to the City's requirements. It is especially important that the vendor be advised in writing IMMEDIATELY when it is discovered that merchandise is non-compliant.

### **Requirement for Prompt Payment – Non-Construction Services**

The Florida Local Government Prompt Payment Act, (F.S. 218.70) establishes a timeframe for payment of any invoice received by the City. Under this statute, the City is required to pay invoices for conforming merchandise for non-construction services within 45 days of the date that a properly completed invoice is received by the City's Financial Services Department, Accounts Payable. If a properly completed invoice is not received, the payment date shall be calculated from the date that the conforming merchandise or service was received by the City.

### **Requirement for Written Notice to Dispute an Invoice**

The Local Government Prompt Payment Act requires that the City pay interest to contractors in the amount of 1% per month on the unpaid balance for payments made beyond the allowable timeframe provided by the statute, if the contractor makes a written claim. A timely written dispute of an invoice, however, will result in the temporary suspension of the statutory payment deadline, until such a time as the issue perpetuating the dispute is resolved.

If the City disputes a non-construction service invoice prior to the 45 day payment window, the City will not be liable for the payment of any interest while the dispute is being resolved. The vendor also will not be able to make any claims for interest during the time period that the invoice remains in dispute. For example, if an agency disputes an invoice on day 35 after invoice receipt, and the dispute is not resolved until day 120 days later, the City will not be liable for payment of any interest for the disputed period from day 46 to day 120. The City will also have 10 calendar days to pay the corrected invoice once the dispute is resolved. If the City FAILS to formally dispute an invoice, the vendor or contractor may have the right to request payment of interest after the statutory payment timeframe has elapsed.

## **Remedies for Non-Performance**

### **Overview**

Despite the best efforts to partner with our vendors, when the service level provided is not acceptable to the City, further actions may be required to either ensure that the requested quality level is provided by the vendor, or that the City's needs are accommodated by another source. Actions to be taken by the City in this type of situation should be a part of the feedback delivery process, and should be administered in a progressive manner. Remedial actions must be administered by the Procurement Services Division, and may likely require the involvement of the City Attorney and ultimate termination of a contract may require Commission action.

### **The Need for Documentation**

When a vendor fails to properly perform under a contract, the City will follow a progressive remedy process, unless circumstances warrant that more immediate action be taken in order to protect the safety of individuals, or mitigate any damage to City property.

Prior to administering any form of remedy, however, the City must perform its due diligence to ensure a factual account of circumstances leading-up to the unacceptable situation. Project Managers must document any issues, observations, discussions or contacts with the contractor that may have an impact on this situation in a Vendor Performance Form, available on the Procurement page under Departments on "Our Hollywood", the City's Intranet website, or Word Template. Data collection and documentation must be completed in a fair and unbiased manner in order to ensure the credibility of the City, and to protect the City against any legal liability resultant from making unsubstantiated claims against a vendor.

In all cases, whether a vendor defaults on an agreement, or performs in a manner that exceeds all of the City's expectations, it is important to maintain the documentation of vendor evaluations and/or any corrective or punitive actions. This documentation is extremely important, especially for poorly performing vendors, as it provides the City with background for considering the viability of that vendor for future contract awards; and may be used as background information when developing requirements and specifications for future contracts. Failure to maintain this documentation may result in the City having no viable justification for not awarding a contract to a vendor that has had past performance problems with the City. In addition to retaining such documents pursuant to Florida's public records laws, it is recommended that copies of documentation for poorly performing vendors be maintained with the Procurement Services Division.

### **Progressive Remedy Phases**

Following is a synopsis of a normal progressive course of action to be taken in the event of substantiated vendor or contractor non-performance and documented with a Vendor Performance Form.

Development of a Corrective Action Plan:

- The first step that should be taken with a vendor who is not providing a product or service that is satisfactory to the City; is to develop a corrective action plan. The end user shall work with the Procurement Services Division to ensure that the plan is reasonable and realistic.
- Corrective action plans should specifically detail steps required to be taken by the vendor in order for them to achieve the results that meet our level of satisfaction. Corrective action plans should specify any deficiencies in the products or services delivered, as well as the desired quality required for those products and services. This, in essence, may seem to be a restatement of the project goals outlined to the vendor throughout the contract process; however, the corrective action plan will include specific and often very harsh consequences for non-compliance with the plan by the vendor. For this reason, it is important to impose realistic deadlines on the vendor for the achievement of the corrective action, and to specifically detail actions that will be taken by the City if the plan is not followed.
- In the event that the vendor fails to meet the obligations of the corrective action plan, the next step may include the termination of the vendor's contract. Most City contracts include standard termination language that gives the City the right to terminate a contract for default. If it is determined that circumstances warrant termination, action shall be initiated by the department/office after consultation with the Procurement Services Director, who will seek the advice and consent of the City Attorney, to terminate the vendor's agreement in compliance with the requirements of the City's Purchasing Ordinance. Depending on how the contract was initially awarded, notification of the City's intent to terminate the contract must be made to the City Commission and in certain cases, where the City Commission approved the original contract, the City Commission may be required to approve any contract termination actions.
- Vendors that have severe deficiencies, or who may have violated the law, may be suspended and debarred for a period of time after being given proper notice.

## **Vendor Feedback**

The City may occasionally request feedback from vendors who have worked with the City. Feedback may be conducted with individual vendors via exit interviews after the completion of a project; or through a survey process. Surveys may be addressed to individual vendors, or may be addressed to a group of vendors who have provided services or commodities to the City.

## **Surplus Property and Disposal**

### **Referenced Documents**

City of Hollywood Code of Ordinance § 38.45 'Surplus Stock'

### **Excess and Surplus Property**

Surplus Property refers to all tangible personal property owned by the City of a non-consumable nature which is excess, surplus, or obsolete for which the continued use is not economical or efficient, or which serves no useful function.

It is the policy of the City that all materials or equipment to be declared surplus property shall be reviewed by the responsible department/office head, who will provide a recommendation for final disposition to the Director of Procurement Services. The Director of Procurement Services has the authority to determine the final disposition of all City surplus and obsolete materials and equipment.

All non-consumable City property, whether listed as an asset or not, may be declared surplus and disposed of in one of the following ways:

- Trade-in on the purchase of new property
- Transfer to another department
- Sold through public auction or competitive bid; sold to another government agency; or disposed of in any other manner approved as to legal compliance by the City Attorney in accordance with State Statutes and/or City Ordinance, Rules or Regulations and deemed advantageous by the Director of Procurement Services
- Donation
- Scrapped and disposed of on-site by the using department/office

## **Responsibility**

### User Departments

Determine the need to remove and/or replace equipment and/or material. Complete a Reverse Requisition (form available on-line) stating quantity, asset number and department and containing an *authorized signature*.

Forward the completed Reverse Requisition to: Procurement Services, Room 303 by interoffice mail or via email.

### Procurement Services Division

Upon receipt of the properly complete Reverse Requisition, the Director of Procurement Services will review to determine the most suitable method of disposal. Transfer, public auction, competitive bid sale, donation are all options that may be considered.

The disposal process is deemed complete when a transfer has been made which may include an award of sale, and receipts of proceeds forwarded to the Treasury Services Division, and the original of the Reverse Requisition forwarded to the General Accounting Division.

## **Procedures**

When items become excess, surplus or obsolete, it is the duty of the using responsible department/office head to report them promptly to the Director of Procurement Services by utilizing the Reverse Requisition form designed specifically for reporting surplus or excess property. Prior to signing each Reverse Requisition, the responsible department/office head must review and approve the items to be declared surplus. The approval will include physically identifying the items and ensuring an accurate description of the assets to be declared surplus is provided. The responsible department/office head must verify the data submitted on the Reverse Requisition is consistent with what is indicated on the department asset list. An additional review of computer equipment by the Information Technology Department is also required prior to disposal.

Upon receipt of the properly completed Reverse Requisition, the Director of Procurement Services will use the following sequence for determining the best method of disposition:

**Trade-in on new purchase** - Can the property be included as buyer owned equipment to be exchanged and considered by the seller when submitting a bid to sell new equipment to the City?

Anytime an item is to be traded-in to defer part of the expense of a new purchase, the using agency is required to so indicate in the text of the Purchase Requisition and to provide a detailed description of the make, model, and condition of the equipment to be traded-in and the location of the item. All listed asset property must be accompanied by the history of the property, i.e., original acquisition date, original cost, and asset number. The Director of Procurement Services must approve the inclusion of the trade-in equipment in any award prior to issuance of a purchase order. A purchase order shall be issued indicating the trade-in of a specific item, and if applicable, its asset and serial number.

**Transfer** - Can the property be utilized by another department or agency?

Property that is no longer needed by a given department/office, but is functional, may be economically repaired if needed, and transferred to another department/office. Upon receipt of a properly completed Reverse Requisition, the Procurement Services Division will review current Purchase Requisitions to determine if any department/office requirements can be satisfied by transfer of the surplus material thereby avoiding the expenditure for a new purchase.

**Auction** - Can the property be sold by auction in which a return may be realized above the expense of the sale?

Auctions should be publicly advertised, supplemented by mailing of notices to regular bidders. After the auction is announced, opportunities for interested parties to inspect the items should be scheduled. Property which has failed to sell at an auction, or property which is otherwise inappropriate for auction sale, may be sold through competitive bids on an individual item or lot basis.

**Competitive Bid** - If the estimated value of the property is more than \$25,000.00, a formal sealed bid is required. If estimated property value is not more than \$25,000.00, an informal bid (open market) may be conducted.

Competitive bids for the sale of surplus materials should be conducted as needed. Every item which generates an offer in excess of \$25,000 requires City Commission approval of the sale before it may be considered final. Property estimated to be not more than \$25,000 may be disposed of via the open market procedure in accordance with the Purchasing Ordinance. Bids which receive offers not more than \$25,000 per item shall be awarded to the highest responsive, responsible bidder.

**Donation** - If no acceptable offers are received within a reasonable time period, can the property be donated to a not-for-profit organization?

Property which fails to receive a reasonable offer after public auction or competitive bid may be made available at a nominal fee or donated to other governmental entities or certified non-profit charities. The City Commission must be notified when property has become available for donation. Final disposition should not be made until a minimum of ten days after the City Commission has been advised.

**Scrap** - May the property be abandoned or destroyed?

Junk Material - Property which has no commercial value and is considered junk may be disposed of on-site by the requesting department/office with an approved Reverse Requisition. Reverse Requisitions must be prepared for all asset equipment and should include an accurate description, the asset number and serial number if available. The **requesting department/office in coordination with Procurement Services** will be responsible for removing the junked asset from the department/office's asset list.

Removal of Asset Tags - The responsible department/office head in physical possession of listed asset equipment when final disposal is determined must remove the City asset tag from all such equipment.

The responsible department/office will be responsible for notifying the General Accounting Division of the Financial Services Department, when necessary to remove the equipment from the department/office's asset list as a result of trade-in on purchase of new equipment.

Note: Items that are being traded in must remain at the requesting department/office's location until transferred to the seller of the new equipment. Asset tags must be removed from all items before they are transferred to the seller.

## Glossary of Terms

**Addendum:** A formal written notification to prospective bidders or proposers which provides clarification of the requirements for a solicitation. Addendums are usually issued to all vendors during the course of advertising a solicitation. Whenever a potential bidder/proposer requests information or clarification that is NOT clearly referenced in a solicitation document, it is necessary to provide all bidders and proponents with the information in writing, using the addendum document. Addendums normally require acknowledgement by the responding vendor at the time of the solicitation submission to ensure that the vendor received and understood the information. Addendums are also used to summarize clarifications made during a pre-bid or pre-solicitation conference.

**Advertisement:** A formal announcement of an invitation for a solicitation; usually placed in a newspaper or on the Internet.

**Best Value:** The highest overall value to the City based on relevant factors that may include, but are not limited to, price, quality, design and workmanship.

**Bid:** Any offer specifically given to the City in response to an Invitation to Bid.

**Bidders List:** 1. A list of vendors who have specifically bid on a solicitation. 2. An automated data base of businesses with whom the City has done business in the past and/or a list of firms who have expressed interest in submitting quotes bids and proposals to the City.

**Bid Bond:** A bid security in the form of a bid surety, certified check, cashier's check, or cash that ensures that the bidder will enter into a contract and subsequently provide the required performance and payment bonds within a specified period of time.

**Blanket Purchase Order:** A contractual agreement with a vendor, normally for a fixed period of time (e.g. quarterly or annually), which allows departments to make multiple purchases directly from that vendor by referencing the blanket purchase order number.

**Bond:** A binding agreement and/or sum of money used as financial collateral to guarantee the performance by a bidder or contractor of certain duties and obligations. (See Bid Security, Payment Bond, Performance Bond and Warranty/Maintenance Bond.)

**Brand Name Specification:** A specification type that identifies one or more items by manufacturer name or catalog number, as defined in Procedure Proprietary Specifications. If the estimated value of the requisition exceeds \$25,000, the using department head shall submit a written explanation as to why only the brand name item specified will meet the requirements.

**Brand Name or Equal Specification:** A specification type that identifies one or more manufacturer's names or catalog numbers to describe the standard of quality, performance, and other characteristics to provide a basis for the submission of equivalent products.

**Breach of Contract (Contract Breach):** A Breach of contract means the failure of one party to a contract to perform any term of a contract without a legitimate legal excuse. The contract may be either written or oral. A breach may include, but not be limited to, failure to finish a job, failure to make payment in full or on time, failure to deliver all the goods, substituting inferior or significantly different goods, or failure to properly insure goods, among others. An anticipatory breach may be made by an act which indicates that the party will not complete the work.

**Business:** Any corporation, partnership, individual, sole proprietorship, joint venture, joint stock company, or any other legal entity engaged in the commercial provision of commodities, services or labor.

**Change Order:** Any change due to unanticipated conditions or developments, made to an executory contract, which are reasonably and conscientiously viewed as being in fulfillment of the original scope of the contract and/or matters directly related thereto.

**Commercially Available Products:** Products that are considered to be standard or “off the shelf” within the industry and do not require specific modifications in order to meet a specification requirement. When developing a specification, the City shall use commercial standards and avoid unique requirements wherever possible.

**Commodity:** Various supplies, goods, merchandise, equipment and other personal property.

**Construction:** The process of building, altering, repairing, improving, or demolishing any public infrastructure facility, including public improvements of any kind to real property, including roadways, utilities, and facility site work. Construction does not include the routine operation, routine repair, or routine maintenance of any existing public infrastructure facility, including structures, buildings or real property.

**Consultant:** An independent contractor who is considered to have education, specialized knowledge, experience or abilities not generally available within City government. This includes but is not limited to: accountants, actuaries, appraisers, architects, artists, auditors, counselors, designers, economists, educators, engineers, financial analysts, lobbyists, management and systems analysts, medical practitioners, planners, promoters, researchers, scientists, sociologists, surveyors, trainers, and other professionals as designated by the Procurement Services Director.

**Consultants’ Competitive Negotiation Act (CCNA):** Florida Statute 287.055. The Act requires that requests for handling professional service provided by an architect, engineer, land surveyor and mapper, or a landscape architect for projects with a construction cost exceeding \$325,000 and/or the professional fee for design exceeds \$35,000, fall under the jurisdiction of this law. Requires the use of a qualifications based purchasing methodology which considers only experience and qualifications and does not permit for any evaluations based on pricing, until the firms have been ranked.

**Contract:** Any and all types of City agreements, regardless of what they may be called, for the procurement or disposal of supplies, services, or construction between parties with binding legal force, usually involving the exchange of goods or services for money or other consideration.



**Contract Modification:** Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.

**City Commission:** The legislative body of the City of Hollywood, Florida.

**Construction:** Construction shall mean building, altering, repairing, improving or demolishing any structure, building, road, drainage, or sanitary facility and any draining, dredging, excavation, grading, or similar work upon real property.

**Contractor:** Any person or business having a contract with a governmental body, that contracts to perform work or services, or provides commodities to the City.

**Contractual Services:** Include, without limitation, the purchase of insurance, printing , gas, electricity, fuel, towel and cleaning services; purchase, installation, rental, repair and maintenance of equipment, machinery and other personal property; and all other contractual services not specifically excluded from the requirements of the Purchasing Ordinance .

**Cooperative Purchasing:** When two or more governmental agencies combine their purchasing requirements to competitively solicit specific goods or services. This consolidation normally affords greater buying power, encouraging lower prices and decreased administrative overhead.

**Debarment:** The disqualification of a person to receive solicitations or the award of contracts by the City for a specified period of time commensurate with the gravity of the offense or the failure or the inadequacy of performance.

**Department:** Includes Departments and Offices.

**Department/Office Director:** The individual appointed to act as the head of an individual department/office. May also include Assistant Director or Division Manager if a Department Director has delegated responsibility.

**Design Specification:** A specification type that establishes the characteristics an item must possess, including sufficient detail to show how a product is manufactured or work is performed.

**Direct Service Contract:** An agreement entered into by the City which requires the contractor to provide services directly to residents or other customers prescribed by the agreement; or which provides for a mechanism for residents or other customers to have direct contact with representatives of the contractor.

**Emergency:** Circumstances that may require immediate action for protection of the safety, health, and welfare of the community or any segment thereof. This includes, but is not limited to, emergencies caused by acts of nature, water and wastewater system breakdowns, police and fire equipment breakdowns, or other breakdowns that may jeopardize the integrity of City property.

**Evaluation Committee:** A group of individuals that is responsible for reviewing and evaluating responses to requests for proposals with the intent of making a recommendation for the proposal that best meets the needs of the City. Evaluation Committee members will normally be responsible for short-listing firms, conducting oral presentations of short-listed firms, and determination of the proposal which best meets the needs of the City. The recommendations of the evaluation committee will be utilized by the City Commission or City Manager, as appropriate when making a final decision regarding the award of a proposal.

**Excess Supplies:** Any tangible personal property having a remaining useful life but which is no longer required by the City department in possession of the supplies.

**Fixed Asset:** Any commodity/equipment item that has a useful life of more than one year and a unit cost of one thousand dollars (\$1,000.00) or more.

**Free on Board (F.O.B.) Destination:** The risk of loss for goods is borne by the seller until the goods are delivered to the buyer's dock, after which, upon acceptance by the buyer, the risk will pass to the buyer. The seller is responsible for filing all claims for damage in transport. The City's standard policy requires that all shipments to the City shall be F.O.B. Destination unless stated otherwise on the order or quotation.

**Free on Board (F.O.B.) Point of Origin a/k/a Shipping Point:** The risk of loss for goods passes to the buyer immediately upon leaving the seller's dock. The buyer is responsible for filing all claims for damage in transport. The City discourages the use of F.O.B. Point of Origin or F.O.B. Shipping Point terms as they place a significant amount of risk of loss on the City.

**Government e-Management Solutions (GEMS) System:** The automated purchasing system that is utilized to submit requisitions, obtain approvals, check budget information, issue purchase orders, and receive goods electronically.

**Grant:** A contribution, gift, or subsidy made for specific purposes, frequently made conditional upon specific performance by the grantee. It does not include an award whose primary purpose is to procure an end product, whether in the form of supplies, services, or construction; a contract resulting from such an award is not a grant but a procurement contract.

**GSA:** General Services Administration. A Federal government department that is responsible for the procurement of goods and services for most U.S. Government Agencies.

**Invitation for Bids (IFB):** A written solicitation for competitive sealed bids with the title, date and hour of the public bid opening designated and specifically defining the commodity, group of commodities, or services for which bids are sought. An Invitation for Bids is used to solicit offers from potential bidding vendors for goods and services (Bidders) when the department/office is capable of specifically defining the scope of work for which a contractual service is required or is capable of establishing precise specifications defining the actual commodity or group of commodities required. Unless specifically sanctioned, no negotiation is permitted, and the contract award is granted to the lowest priced responsive responsible bidder, which conforms to the requirements set forth in the bid document. All documents, whether attached or incorporated by reference, are utilized for soliciting bids.

**MRO:** Maintenance, Repair, and Operation - Supplies used in daily operations.

**Nonmaterial Irregularity:** An error in an offer or contract that does not have an adverse effect on the City's best interests, does not affect the outcome of the source selection process by giving a bidder/proposer an unfair advantage or benefit not enjoyed by any other bidder/proposer and is not inconsistent with applicable laws.

**Offer:** Any bid, proposal or quotation made to the City.

**Open Purchase Order:** A purchase order that is issued for various services that require scheduled payments over a period of time, i.e. \$50 per month for 12 months. The purchase order is issued to allow for incremental payments against a set amount for the period.

**Payment Bond:** A contract guarantee that assures the payment of sub-contractors and material suppliers in the event the contractor defaults on their contract. Payment bonds are usually required in conjunction with a Performance Bond.

**Performance Based Contract:** A contracting model whereby satisfactory performance under the contract will result in the City's exclusive use of the contractor for all contractual purchases for the full period specified as the contract term. Unsatisfactory performance by the contractor shall result in the contractor's loss of exclusivity. If, in the sole judgment of the City, the contractor is not providing satisfactory service, the exclusive contractual relationship between the City and the contractor may be terminated, without penalty, by the City at any time after it has purchased the guaranteed volume of goods or services as specified in the Specifications/Statement of Work. The principle of Performance Based Contracting, however, does not negate the right of the City to terminate the contract under the standard terms and conditions covering contract termination.

**Performance Bond:** A contract of guarantee, executed subsequent to an award to a successful bidder, to protect the City from loss due to the bidder's failure to complete the contract as agreed. The bond insures that the project will be able to be completed with no additional cost to the City in the event that the bonded contractor defaults on its contract.

**Performance Specification:** A type of specification that describes the performance characteristics sought in a product or service; emphasizes performance and function over design.

**Performance/Design Specification (Combination):** A specification type that combines both performance and design. The City shall, to the extent practicable, emphasize functional or performance specifications.

**Piggyback or Piggybacking:** When a governmental agency and a vendor enter into an agreement originally solicited and awarded by another government agency to purchase goods or services, when the non-awarding agency's requirements are not included as a part of the original solicitation.

**Plan Holders List:** A listing of vendors who have expressed an interest in a specific bid or proposal solicitation by either picking-up or downloading a copy of the solicitation. In some instances, plan holders may be required to pay a non-refundable deposit in order to obtain a copy of the solicitation.

**Price Agreement:** A nonexclusive, indefinite quantity agreement. It is a tool to facilitate purchases when the exact quantity of a required commodity or service is unknown or may vary depending upon the using department/office's requirements. It may also be called a Price Schedule Contract, Requirements Contract, or Term Contract.

**Price Schedule:** Same as Price Agreement

**Procurement:** Buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

**Procurement Card (P-Card):** A type of charge card issued to designated employees to provide for the purchases of small dollar items for which the purchase is difficult to plan in advance. This method of purchase allows projects to continue without the delay associated with using the requisitioning process. Set limits and commodity restrictions can be established for each authorized employee prior to receiving the card.

**Professional Services:** Technical, and/or unique functions performed by independent contractors whose business is the rendering of such services. This may include accountants, actuaries, appraisers, attorneys, auditors, medicine and the medical arts, architects, engineers, surveyors, management, planning and systems consultants, research, and other professionals.

**Project Manager:** Individual responsible for the full scope of project management tasks including authorizing and monitoring the work of consultants, vendors and field staff of assigned projects; Ensures successful completion of projects.

**Proposal:** Any offer specifically given to the City in response to a Request for Proposals.

**Proposer:** Any business submitting an offer to the City in response to a Request for Proposals.

**Purchase Order:** A contract document generated by the Procurement Services Division authorizing a supplier to ship and invoice requested goods and services. A purchase order may also be used as a means to create an encumbrance in the GEMS system to provide a vehicle for making progress payments over time for construction projects, and other similar projects. Purchase orders are issued as a means to legitimize a transaction and to encumber funds.

**Purchase Requisition:** An automated request generated by the requesting department/office. The Purchase Requisition must contain a complete and concise description of what is required to purchase a service or commodity. The requisition is created electronically using the GEMS system, and must be subsequently approved electronically by the department/office director or designee as well as approved in the Financial Services General Accounting Division. The requisition is used by the Procurement Services Division as a means to generate the Purchase Order.

**Purchasing/Procurement:** Includes purchasing, buying, renting, leasing, bartering, or otherwise acquiring any commodity, service or construction. It also includes all functions that pertain to obtaining any commodity, service or construction, including a description of requirements, selection and solicitation of sources, preparation and award of contract, all phases of contract administration, and disposal of surplus.

**Qualified Products List (QPL):** A specification type that provides an approved list of supplies, services, or construction items described by model or catalog numbers, which, prior to competitive solicitation, have been determined to meet the applicable specification requirements.

**Quotation:** A response by vendors to an informal solicitation process which is initiated by the using department to provide a competitive comparison of prices amongst vendors for available goods in the marketplace. Originals or copies of quotations should be submitted to the Procurement Services Division along with electronic requisition documents in order to substantiate that the using department has complied with the competitive requirements of this procedure.

**Request for Proposals (RFP):** A document used to solicit proposals from potential providers for goods and services (Proposers). Price is usually not the primary evaluation factor. Provides for the negotiation of all terms, including price, prior to contract award. May include a provision for the negotiation of Best and Final Offers. May be a single step or multi-step process. (NIGP 2010)

**Responsible Bidder or Proposer:** A person, business or contractor who has the capability in all respects to fully perform the contract requirements and the experience, capacity, facilities, equipment, credit, sufficient qualified personnel, and record of timely and acceptable past performance that will assure good faith performance for a City project or purchase.

**Responsive Bidder or Proposer:** This refers to a person, business or contractor whose response to a bid or proposal substantially conforms in all material respects to the requirements and criteria set forth in the invitation for solicitation. This includes such aspects as following bid instructions for proper submittal, completing all necessary forms included with the solicitation, providing information required by the solicitation, and complying with all terms, conditions and specification requirements as enumerated in the solicitation.

**Requesting Department/Office:** Any Department/Office, Agency, Commission, or other unit in City government that procures commodities, construction, or services.

**Reverse Auction:** A procurement method wherein bidders, anonymous to each other, electronically submit real time bids for designated supplies or services.

**Service:** The furnishing of labor, time, or effort by a contractor not involving the delivery of a specific end product other than reports which are merely incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements.

**Signature:** A manual or electronic identifier, or the electronic result of an authentication technique attached to or logically associated with a record that is intended by the person using it to have the same force and effect as a manual signature pursuant to the requirements of State and Federal law. [Ref: Florida Electronic Signature Act of 1996 (F.S. §282.72(4))]

**Single Source or No Substitute:** A commodity can be purchased from multiple sources, but in order to meet certain functional or performance requirements (repair parts, original equipment manufacturer supplies, or other requirements to match existing equipment or materials), no substitute product will be acceptable. Normally, multiple dealers or distributors are able to compete on requests for items that fall into this category.

**Sole Source:** When only one economically viable source is capable of providing the service or item that the City seeks to purchase. Sole sources may be characterized by a marketplace where there is only one vendor because items are patented or geographically franchised.

**Solicitation Phase:** A phase of the bid or proposal process where specifications or statements of work are developed; and potential vendors are provided the opportunity to submit offers to the City for consideration. The solicitation phase includes the advertisement and issuance of the bid or proposal document, the vendor review of the document, the opportunity to respond to vendor questions and comments, the pre-bid or pre-proposal conference as applicable, and the submittal of responses to the City. The formal solicitation process is facilitated by the Financial Services Department, Procurement Services Division.

**Specification:** 1) A precise description of the physical or functional characteristics of a product, good or construction item. 2) A description of goods and/or services. A description of what the purchaser seeks to buy and what a bidder must be responsive to in order to be considered for award of a contract. Specifications generally fall under the following categories: design, performance, combination (design and performance), brand name or approved equal, qualified products list and samples. 3) May also be known as a purchasing description. (NIGP, 2010)

**Standardization:** The adoption of a single product or group of products to be used by different organizations or all parts of one organization. This usually refers to the development of specifications for use by an organization. (NIGP, 2010)

**Statement of Work:** Detailed description of the work which the City desires the contractor to perform.

**Stringing:** This is defined as the deliberate attempt to subdivide a purchase in order to circumvent the Purchasing Code, or other purchasing policies and procedures. This practice is strictly prohibited. (Also referred to as “Pyramiding”).

**Supplies:** Includes all supplies, materials and equipment.

**Supplier:** See Vendor.

**Surplus Property:** Any tangible personal property or real property no longer having use to the City. Surplus property includes obsolete supplies, scrap materials, and non-expendable supplies that have completed their useful life cycle.

**Term Contract or Term Agreement:** A contract in which a source or sources of supply are established to provide for the needs for a specified period of time for specified services or supplies at an agreed upon unit price(s). A term contract or agreement may or may not have provisions for price escalation.

**Unauthorized Purchase:** Any purchase, order, or contract that is made by any City employee or official outside of the purview of the City of Hollywood Purchasing Ordinance, the City Charter and/or established Purchasing Policy and Procedures.

**Unsolicited Offer:** Any offer other than one submitted in response to an invitation or request.

**Vendor:** Any business firm that will be or has been awarded a contract by the City, also known as a seller or supplier.

**Written or In Writing:** The product of any method of forming characters on paper, other materials, or viewable screens, which can be read, retrieved, and reproduced, including information that is electronically transmitted and stored.

# **PURCHASING ORDINANCE**

## **§ 38.35 SHORT TITLE**

The provisions of this subchapter shall be known as the “Purchasing Ordinance of the City of Hollywood.”

## **§ 38.36 PURPOSE.**

The purpose and intent of this subchapter shall be to prescribe the manner in which the city shall control the purchase of materials, supplies, equipment and certain contractual services, and to maintain a high ethical standard for all officers and employees of the city in connection therewith. This subchapter shall be applied consistent with the city’s Local Minority Business Enterprise and Local Small Business Enterprise Program, which is set forth in § 38.92, and with the city’s Minority/Women’s Business Enterprise program.

## **§ 38.37 DEFINITIONS.**

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**CHIEF ADMINISTRATOR.** The City Manager of the City of Hollywood, Florida.

**COMMISSION.** The Commission of the City of Hollywood, Florida.

**COMPETITIVE NEGOTIATION.** A procedure whereby:

- (1) The city shall negotiate a contract for construction services for a project with a firm authorized by competitive selection at compensation determined to be fair and reasonable, to provide for profit, overhead, and direct management costs plus actual costs not to exceed a guaranteed maximum price;
- (2) Should the city be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, at a price the city determines to be fair and reasonable, negotiations with that firm shall be formally terminated. The city shall then undertake negotiations with the second most qualified firm and thereafter if necessary with the third;
- (3) Should the city be unable to negotiate a satisfactory contract with any of the selected firms, additional firms shall be selected in accordance with competitive selection; and
- (4) Negotiations shall continue until an agreement is reached.

**COMPETITIVE PROPOSALS.** Sealed documents submitted in response to a request for proposals, request for qualifications, or request for letters of interest to be opened at the time and place stated in the public notice of the request for proposals, request for qualifications, or request for letters of interest.

**COMPETITIVE SELECTION.** A procedure whereby:



(1) A selection committee appointed by the City Manager shall evaluate statements of qualification data submitted by firms proposing to provide construction services for a project, such evaluation to include discussions with no fewer than three firms regarding their qualifications, approach to the project and ability to furnish the required services;

(2) The selection committee shall determine the relative ability of each firm to perform the services required for the project;

(3) The selection committee shall recommend to the City Commission no fewer than three firms in order of preference, deemed to be most highly qualified to perform the required services; and

(4) The City Commission shall select no fewer than three firms in order of preference, deemed to be most highly qualified to perform the required services.

**CONSTRUCTION MANAGEMENT AT RISK.** A method of construction contracting whereby the prime contractor is selected by competitive selection and competitive negotiation to provide design phase consulting services, management and contractual responsibility for the total construction project. A fee is negotiated for profit, overhead and direct management costs. All subcontracts are awarded by the prime contractor based on competitive bids received in response to invitations to bid issued by him/her. A guaranteed maximum price is provided by the prime contractor and the total price paid to the prime contractor is either the fee plus the actual construction cost or the guaranteed maximum price, whichever is less.

**CONTRACTUAL SERVICES.** Include, without limitation, the purchase of insurance; printing; gas; electricity; fuel; towel and cleaning services; purchase; installation; rental; repair and maintenance of equipment; machinery; and other personal property; and all other contractual services not specifically excluded from the requirements of this subchapter.

**DESIGN PROFESSIONAL.** An individual or entity licensed by the state who holds a current certificate of registration under F.S. Chapter 481 to practice architecture or landscape architecture, under F.S. Chapter 472 to practice land surveying and mapping, or under F.S. Chapter 471 to practice engineering, and who enters into a professional services contract.

**DIRECTOR.** The Director of Procurement Services of the city or such other officer or employee of the city as determined pursuant to § 38.41.

**DIVISION.** The Division of Procurement Services of the city.

**PROFESSIONAL SERVICES CONTRACT.** A written or oral agreement relating to the planning, design, construction, administration, study, evaluation, consulting, or other professional and technical support services furnished in connection with any actual or proposed construction, improvement, alteration, repair, maintenance, operation, management, relocation, demolition, excavation, or other facility, land, air, water, or utility development or improvement.

**REVERSE AUCTION.** A type of auction in which (i) the city puts a contract for supplies or contractual services out to bid, (ii) bidding is performed in real-time via the Internet with bidders unable to see the bids of their competitors during the auction, and (iii) the auction progresses with the intent that the price will decrease as bidders compete to offer lower bids than their competitors.

**SHALL.** Is always mandatory and not merely directory.

**SUPPLIES.** Include all supplies, materials and equipment.

**USING AGENCY.** Any department, agency, commission, bureau or other entity in the city government when procuring supplies or contractual services as provided in this subchapter.

### **§ 38.38 DIVISION OF PROCUREMENT SERVICES.**

There is hereby established the Division, which shall be under the supervision of the Director of the Office of Budget and Procurement Services.

### **§ 38.39 DIRECTOR; POWERS AND DUTIES.**

(A) The Director shall be the head and have general supervision of the Division. The Director shall perform all duties required of a division head by law and by directive of the City Manager and shall have the powers and duties prescribed by this subchapter. The Director shall:

- (1) Contract for purchases of all supplies and contractual services required by any office, department or agency of the city government;
- (2) Transfer to or between offices, departments or agencies, or sell surplus, obsolete or unused supplies, materials and equipment; and
- (3) Manage any inventory necessary to stock the city's warehouse.

(B) (1) *Purchasing power.* The Director shall have the power to purchase or contract for all supplies, materials, equipment, contractual services needed by all of the departments, institutions, boards, commissions and other agencies which derive their support wholly, or in part, from city funds, and which are hereinafter referred to as the "using agencies." The Director shall have the power to transfer all supplies, materials and equipment, from one department to another, as may be deemed advisable by the City Manager. The Director shall have the power to sell, exchange or trade any supplies, materials and equipment which have become unsuitable for public use.

(2) *Unauthorized purchases.* Except as herein provided, it shall be unlawful for any city officer, employee or other person to order the purchase of any materials or supplies, or make any contract for municipal materials, supplies or services within the purview of this subchapter other than through the Division; and the city shall not be bound by any purchase order or contract made contrary to the provisions herein.

(3) *Other powers and duties.* In addition to the purchasing authority conferred in division (B)(1) above, and in addition to any other powers and duties conferred by this subchapter, the Director shall:

(a) Be responsible to the Director of the Office of Budget and Procurement Services for the effective administration of the Division and all activities assigned thereto.

(b) Keep informed as to current practices consistent with sound purchasing principles. The Director shall inaugurate, with the approval of the Director of the Office of Budget and Procurement Services, such new practices as appear to be of benefit to the service and to the public.

(c) Provide for the promulgation of rules and regulations for city purchasing, which shall be reviewed and amended from time to time.

(d) Submit periodic reports of activities of the Division to the Director of the Office of Budget and Procurement Services or other competent authority designated by the Director of the Office of Budget and Procurement Services.

(e) Establish and maintain a system in sufficient detail to furnish all information necessary for proper control of divisional activity and to form a basis for the periodic reports to the Director of the Office of Budget and Procurement Services.

(f) Recommend the appointment, promotion, demotion and removal of subordinate employees to the Director of the Office of Budget and Procurement Services, subject to civil services rules and regulations.

(g) Be responsible for the proper maintenance of all city property and equipment of the Division.

(h) Act to procure for the city the appropriate quality and quantity in supplies and contractual services at the least expense to the city.

(i) Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases and sales.

(j) Recommend to the Office of Budget and Procurement Services for the adoption of all rules and regulations authorized by this subchapter and any other necessary to its operation.

(k) Keep informed of current developments in the field of purchasing; prices, market conditions and new products; and secure for the city the benefits of research done in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations having national recognition and by private businesses and organizations.

(l) Prescribe and maintain such forms as he shall find necessary to the operation of this subchapter.

(m) The Director shall, where possible, establish sets of standards and specifications to control all purchases by the city, and he or she shall prepare and recommend to the

Office of Budget and Procurement Services such standards as to quality, size and variety of articles, equipment and supplies used by the offices and departments of municipal government as will make possible uniform purchasing for all city departments and offices when consistent with efficiency.

(n) Prepare, adopt and maintain a current vendors' file, which shall contain a description of vendors' commodities, prices and discounts and a history of vendors' prior performance on city contracts.

(o) Exploit the possibility of buying "in bulk" so as to take full advantage of discounts.

(p) Act so as to procure for the city all federal and state sales tax exemptions to which it is entitled.

(q) Have the authority, subject to the approval of the Director of the Office of Budget and Procurement Services, to declare vendors who default on their quotations irresponsible bidders, and to disqualify them from receiving any business from the city for a stated period of time, up to two years, after giving proper notice and holding an administrative hearing on such charges.

(r) Maintain a warehouse stock of commonly used items and a catalogue system for the use of city departments and offices.

(s) Have the authority to delegate to the using agencies the authority to purchase, under the open market procedure described in § 38.43 below, supplies and contractual services of less than the estimated value of \$500, excluding those items which are inventoried or have been contracted for by the Division.

#### **§ 38.40 COMPETITIVE BIDDING OR COMPETITIVE PROPOSALS REQUIRED; EXCEPTIONS.**

(A) All purchases of, and contracts for, supplies and contractual services, when the estimated annual cost thereof shall exceed \$25,000, shall, except as specifically provided herein, be based, wherever possible, on competitive bids.

('72 Code, § 11½-33)

(B) When the Director determines that the use of competitive bidding is not practicable for a purchase of, or contract for, supplies and/or contractual services with an estimated annual cost in excess of \$25,000, such supplies and/or contractual services shall be purchased by competitive proposals. A request for proposals shall be issued. To assure full understanding of and responsiveness to the solicitation requirements and full understanding of proposals, discussions may be conducted with qualified offerors who submit proposals. The offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted through negotiations prior to award for the purpose of obtaining best and final offers. The award shall be made to the responsible offeror whose proposal is determined to be the most advantageous to the city.

(C) Only the following situations are exempt from the competitive bid and competitive proposal requirements of this subchapter:

(1) *Emergency purchases.* In urgent cases of compelling emergency which require the immediate purchase of supplies or contractual services, the City Manager is empowered to authorize the Director to secure by open market procedure as herein set forth, at the lowest obtainable price, any supplies or services meeting the competitive bid requirement. All such emergency purchases must receive prior approval of the City Commission, except for the most urgent situation presenting a clear and present substantial threat to life or property where immediate action is required and a quorum of the Commission for an emergency special meeting cannot be obtained before the deadline for action. For those contracts which the City Manager is otherwise authorized to award, he/she may waive competitive bidding under this paragraph without receiving the City Commission's prior or subsequent approval.

(2) *Professional services.* Contracts for professional services involving peculiar skill, ability, experience or expertise, which are in their nature unique and not subject to competitive bidding or competitive proposals, are exempt from this subchapter; however, state laws, such as the Consultants' Competitive Negotiation Act, to the extent applicable, shall be followed.

(3) *Sole-source supplies and services.* Sole-source supplies and services, such as unique, patented, or franchised supplies or services, are exempt if the Director determines, after conducting a good faith review of available sources, that the particular supply or service is available from only one source; however, such purchases with an estimated annual cost in excess of \$50,000 require a formal written contract approved by the Commission.

(4) *Disaster preparedness.* Contracts for the supply of foods, goods and services made in contemplation and preparation for the occurrence of a natural or man-made disaster or of civil unrest, where availability rather than price is the controlling factor, are exempt from this subchapter; however, all such contracts shall receive the approval of the Commission.

(5) When it is in the best interest of the city, the Director may procure, without following formal contract procedure, all supplies, materials, equipment and contractual services which are the subject of contracts with the state, its political subdivisions, the United States government, other governmental entities, or a corporation not for profit whose members are governmental entities, public officers, or any combination thereof; provided, however, that this subsection shall apply only if (i) the supplies, materials, equipment or contractual services are the subject of a price schedule negotiated by the state or the United States government, or (ii) the supplies, materials, equipment or contractual services are the subject of a contract with another governmental entity or a corporation not for profit whose members are governmental entities, public officers, or any combination thereof, which contract is based strictly on competitive bids or competitive proposals and not on any preference.

(6) *Construction services.* Purchases of construction services are exempt from this subchapter. However, any such purchase which would otherwise be required to be

based on competitive bids or competitive proposals and which is not based on competitive bids or competitive proposals shall be based on design-build, as regulated by the state law known as the "Consultants' Competitive Negotiation Act," or "construction management at risk." The City Manager or his/her designee shall be authorized to determine whether to use competitive bids, competitive proposals, design-build or "construction management at risk". At the conclusion of whichever process is selected by the City Manager or his/her designee, the purchase must receive prior approval of the City Manager, for those contracts which he/she is otherwise authorized to approve, or the City Commission, for all other contracts.

(7) *Tangible personal property that goes into or becomes a part of public works.* Purchases of tangible personal property that is installed by contractors or subcontractors and that goes into or becomes a part of city property or city facilities are exempt from the competitive bid and competitive proposal requirements of this subchapter; provided, however, that this exemption shall apply only when the contractor is obligated, by the terms of the contract, not only to install the tangible personal property but also, on behalf of the city, to take all actions necessary and appropriate to cause the purchase to be made. For all purchases exempt under this paragraph, the separate approval of the City Commission shall not be required. Contractors include, but are not limited to, persons engaged in building, electrical, plumbing, heating, painting, decorating, ventilating, paperhanging, sheet metal, roofing, bridge, road, waterworks, landscape, pier, or billboard work.

(8) *Best interest of the city.* Purchases of, and contracts for, supplies or contractual services, when the Commission declares by a unanimous vote that competitive bidding and competitive proposals are not in the best interest of the city, are exempt from this subchapter. The Commission shall not use this exemption in an arbitrary or capricious manner but shall use it only in rare situations after making specific factual findings that support its determination that competitive bidding and competitive proposals are not in the best interest of the city. In the event that competitive bidding and competitive proposals are waived under this paragraph, the open market procedure set forth in § 38.43 shall be utilized. For those contracts which the City Manager is otherwise authorized to award, he/she may waive competitive bidding and competitive proposals under this paragraph.

(9) *Insurance.* Purchases of insurance through the city's agent of record are exempt from the competitive bid and competitive proposal requirements of this subchapter; however, such purchases with estimated annual cost in excess of \$50,000 require prior approval of the governing body.

(D) Any other provision of Chapter 38 to the contrary notwithstanding, city purchasing shall be conducted in accordance with applicable provisions of F.S. §§ 180.24 and 255.20.

#### **§ 38.41 CONTRACTS NOT UNDER DIRECTOR'S JURISDICTION.**

The Director of Procurement Services shall have no jurisdiction over public works and utilities construction or improvement contracts, and professional services contracts with

design professionals. Construction contracts shall be under the supervision of the City Engineer or the Director of Design and Construction Management. Utilities contracts shall be under the supervision of the Director of Public Utilities. All other pertinent provisions of this subchapter shall fully cover and govern such contracts. Except as otherwise provided in the city's code, all other contracts not qualifying under the categories specified above shall be supervised and administered by the Director of Procurement Services in accordance with the provisions of this subchapter.

#### **§ 38.42 FORMAL CONTRACT PROCEDURE.**

All supplies and contractual services, except as otherwise provided herein, when the estimated annual cost thereof shall exceed \$25,000, shall be purchased by formal written contract after due public notice, as provided herein, inviting bids or proposals.

(A) *Advertisement for bids required, amount.* When any goods, supplies, materials or contractual services for city purposes or uses shall be purchased and when the estimated annual amount to be paid by the city shall be more than \$25,000, notice thereof shall be advertised at least one time in a newspaper of general circulation published in the city, calling for sealed bids upon the work to be done under the proposed contract, to be received not earlier than ten days from the first publication of notice. At the option of the Director, unless any provision of law provides to the contrary, the city may satisfy any city requirement of public advertisement, public notice and public mailing of invitations to bid requests for proposals, requests for letters of interest and other solicitations electronically. Electronic notice shall specify that receipt of bids, proposals or other offers shall be received not earlier than ten days from the first announcement or posting of such electronic notice.

(B) *Surety.*

(1) *Bid deposits.* When deemed necessary by the Director, bid deposits shall be prescribed in the public notice inviting bids. Unsuccessful bidders shall be entitled to return of surety where the Director has required such. A successful bidder shall forfeit any surety required by the Director upon failure on his or her part to enter a contract within 15 days after the award.

(2) *Sureties on performance.* For all bids and/or proposals seeking goods or services in excess of \$200,000, the Director, City Engineer, Director of Public Utilities or appropriate staff person shall include as a requirement of such advertised bids and/or proposals, a performance bond, in the total contract amount. The City Manager shall have the discretion to waive this requirement in the event of an undue hardship or emergency. Any bonding company used must be listed on the United States Department of the Treasury's Circular 570. Additionally, the bonding company must be rated at least "A," Class X, by "Best's Key Rating Guide," published by A.M. Best Company, and authorized to do business under the laws of the state.

(C) *Bid opening procedure.*

(1) Unless submitted pursuant to subsection (7) below, bids shall be submitted sealed to the City Clerk and shall be identified as bids on the envelope.

(2) Bids shall be opened in public at the time and place stated in the public notice, and the Clerk shall witness the openings unless any other person is designated by the Director, Clerk, or the City Manager.

(3) A tabulation of all bids received shall be posted for public inspection.

(4) No late bids shall be accepted or opened, and, if received after the date and time called for in the bid notice, returned unopened to bidder.

(5) Failure to sign bids, as required by the bid documents, shall invalidate them and they shall not be considered. The bid documents may allow for digital signature by the bidder.

(6) The bids opened shall contain a copy to be filed in the Clerk's office.

(7) Unless otherwise provided by law, the City may receive bids, proposals and other offers electronically in lieu of the foregoing procedures.

(8) Unless otherwise provided by law, the City may purchase supplies and contractual services through the process of reverse auction.

(D) *Rejection of bids.* When any goods, supplies, materials, or contractual services other than professional services shall be purchased and the estimated annual amount to be paid therefor by the city shall be more than \$25,000 but not more than \$50,000, the Director shall have the authority to recommend to the Manager the rejection of all bids, parts of all bids, or all bids for any one or more supplies or contractual services included in the proposed contract when the public interest will be served thereby. When any goods, supplies, materials or contractual services shall be purchased and the estimated annual amount to be paid therefor by the city shall be more than \$50,000, and when any professional services shall be purchased and the estimated annual amount to be paid therefor by the city shall be more than \$25,000, the Director shall have the authority to recommend to the Manager for City Commission action the rejection of all bids, parts of all bids or all bids for any one or more supplies or contractual services included in the proposed contract when the public interest will be served thereby. The Director shall not accept the bid of a contractor who is in default on the payment of taxes, licenses or other moneys due the city.

(E) *Award of contract.*

(1) When any goods, supplies, materials or contractual services other than professional services shall be purchased and the estimated annual amount to be paid therefor by the city shall be more than \$25,000 but not more than \$50,000, the Director shall have the authority to recommend the award of a contract to the Manager. When any goods, supplies, materials or contractual services shall be purchased and the estimated annual amount to be paid therefor by the city shall be more than \$50,000, and when professional services shall be purchased and the estimated annual amount to be paid therefor by the city shall be more than \$25,000, the Director shall have the authority to recommend the award of a contract to the Manager for Commission action.



(2) Contracts shall be awarded to the lowest responsive, responsible bidder. In determining the "lowest responsive, responsible bidder," in addition to price, the Director shall consider:

(a) The ability, capacity and skill of the bidder to perform the contract or provide the service required.

(b) Whether the bidder can perform the contract or provide the service promptly or within the time specified, without delay or interference.

(c) The character, integrity, reputation, judgment, experience and efficiency of the bidder.

(d) The quality of performance of previous contracts of services, including, but not limited to, city contracts.

(e) The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service.

(f) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.

(g) The quality, availability and adaptability of the supplies, or contractual services to the particular use required.

(h) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract.

(i) The number and scope of conditions attached to the bid.

(j) The overall cost to the city.

(k) The bidder's compliance with all requirements of applicable laws and ordinances and the bid documents.

(l) The best interest of the city.

(3) Notice of intent to award a contract based on competitive bids shall be publicly posted for a period of at least five business days prior to award, and notice of the posting thereof shall be mailed, by electronic or regular mail, to each bidder at least five business days prior to award.

(4) When the award is not given to the lowest bidder, a full and complete statement of the reasons for placing the order elsewhere shall be prepared by the Director and filed with the other papers relating to the transaction.

(5) Tie bids.

(a) If the determination of lowest responsive, responsible bidder results in a tie, the contract may be split when it is to the city's advantage.

(b) Where division (E)(5)(a) above is not in effect, the contract shall be awarded by drawing lots.

(6) The Director shall have the authority to require a performance bond, before entering a contract, in such amount as he or she shall find reasonably necessary to protect the best interest of the city.

(F) *Prohibition against subdivision.* No contract of purchase shall be subdivided to avoid the requirements of the first paragraph of § 38.42.

(G) *Bidder's list.* The Director shall also solicit sealed bids from those responsible prospective suppliers who have requested their names to be added to a "bidder's list" which the Director shall maintain, by sending them a copy of such notice as will acquaint them with the proposed purchase or sale. In any case, invitations sent to the vendors of the bidder's list shall be limited to vendors offering commodities that have been identified by them and that are applicable to the city's requirements.

(H) *Inspection of bids.* Inspection of the city's formal bids and proposals shall be conducted in accordance with F.S. § 119.07, as amended from time to time.

(I) *City Attorney to review and approve form of purchasing contracts.* Pursuant to the City Charter § 7.02(b)(2), the City Attorney shall review all contracts awarded under this subchapter and shall approve said contracts as to form prior to their execution by the appropriate city officials.

#### **§ 38.43 OPEN MARKET PROCEDURE.**

All purchases of supplies and contractual services of less than the estimated annual value of \$25,000 shall be purchased either in the open market, without newspaper advertisement and without observing the procedures prescribed by § 38.40(A) and (B) above, or in accordance with the procedures prescribed by § 38.40(A) and (B) above, as deemed appropriate by the Director, for the awards of formal contracts. All sales of personal property which has become obsolete and unusable, of not more than the estimated value of \$25,000, shall be sold in the open market, without newspaper advertisement and without observing the procedures prescribed by § 38.40(A) and (B) above.

(A) *Notice inviting bids.* When using the open market procedure, the Director may solicit bids by any of the following methods:

- (1) Direct mail requests to prospective vendors;
- (2) By telephone;
- (3) By public notice;
- (4) By facsimile;
- (5) By electronic means on the internet;
- (6) By cable television on the local public service channel;

(B) *Recording.* The Director shall keep a record of all open market orders and the bids submitted in competition thereon and such records shall also be open to public inspection.

#### **§ 38.44 INSPECTION, TESTING OF PURCHASED ITEMS OR SERVICES.**

Except as otherwise provided in division (A) of this section, the Director shall inspect or supervise the inspection of all deliveries of supplies or contractual services to determine their conformance with the specifications set forth in the order or contract.

(A) *Inspection by using agency.* The Director shall have the authority to authorize using agencies having the staff and facilities for adequate inspection to inspect all deliveries made to such using agencies under rules and regulations which the Director shall prescribe.

(B) *Testing.* The Director shall have the authority to require chemical and physical test of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with the specifications. In the performance of such tests the Director shall have the authority to make use of laboratory facilities of any agency of the city government or of any outside laboratory.

#### **§ 38.45 SURPLUS STOCK.**

All using agencies shall submit to the Director, at such times and in such form as the Director shall prescribe, reports showing stocks of all supplies which are no longer used or which have become obsolete, worn out or scrapped.

(A) *Transfer.* The Director shall have the authority to transfer surplus stock to other using agencies.

(B) *Sell.* The Director shall have the authority to sell all supplies which are unsuitable for public use or to exchange the same for or trade in the same for new supplies.

(C) *Competitive bidding or public auction.* Sales of surplus property valued in excess of \$25,000 shall be made to the highest bidder by competitive bids in conformance with § 38.42 or by public auction. The Director shall have the authority to decide which method to use based on his or her determination as to which method would be most advantageous to the city.

(D) *Procedures for public auctions.* The procedures for any public auction authorized by this section shall be as follows:

(1) The auction may be conducted as an electronic auction.

(2) Any surplus property proposed to be sold by public auction pursuant to this section shall be appraised by two independent appraisers who are duly qualified, if the property is estimated to have a value which exceeds \$100,000. If the property is estimated to have a value which exceeds \$25,000 but does not exceed \$100,000, one appraisal shall be required.

(3) The auction shall be conducted as a reserve auction. If one appraisal is required, the reserve price shall be equal to 85% of the appraisal price. If two appraisals are required, the reserve price shall be equal to 85% of the average of the two appraisal prices.

(4) At the discretion of the Director or auctioneer, the Director or auctioneer may announce a suggested opening bid before bids are accepted. If a suggested opening bid is announced, the suggested opening bid shall be the reserve price.

(E) *Donation of surplus property.* Surplus property valued at \$25,000 or less shall be sold in conformance with § 38.43. If no acceptable bid is received within a reasonable time, such property may be offered to private nonprofit organizations by sale or donation. Notwithstanding the foregoing, any surplus motor vehicle valued at \$10,000 or less may be donated to a permanent resident of the city who received public assistance within one year of the date of donation and is employed on the date of donation. Prior to making any such donation, the Director shall require documentation establishing, to the satisfaction of the Director, that the proposed recipient is eligible to receive such donation.

#### **§ 38.46 COOPERATIVE PURCHASING.**

The Director shall have the authority to join with other governmental entities in cooperative purchasing plans when the best interests of the city would be served thereby.

#### **§ 38.47 CHANGE ORDERS.**

(A) **CHANGE ORDER** means changes, due to unanticipated conditions or developments, made to an executory contract, which are reasonably and conscientiously viewed as being in fulfillment of the original scope of the contract and/or matters directly related thereto.

(B) (1) *City Manager's authority.* Subject to the restrictions contained in division (2) below, the City Manager is hereby authorized to approve and initiate work on the following types of change orders determined in his or her judgment, to be in the public interest, as follows:

(a) All change orders decreasing the cost of the contract to the city which do not materially alter the character of the work contemplated by the contract.

(b) A change order, consisting of one or more changes permitted by subsection (A) above, where the net change, taking into account both increases and decreases in cost, increases the cost of the contract to the city, by an amount not in excess of \$50,000.

(c) A change order extending the contract completion date by not more than 90 calendar days.

(2) Notwithstanding the provisions of division (1) above, the City Manager is not authorized to approve a change order under either of the following conditions:

(a) Where the sum of all change orders issued under the contract exceeds \$100,000 or 10% of the original contract amount, whichever is greater.

(b) Where the cumulative effect of all approved change orders will result in the extension of a contract completion date by more than 180 calendar days.

(C) All change orders that the City Manager is not authorized to approve must be formally approved by the City Commission before work may be authorized to begin; and no claim against the city for extra work in furtherance of such change order shall be allowed unless said prior approval has been obtained, notwithstanding any other provision, contractual or otherwise.

(D) Change orders shall not artificially be distributed or divided so as to bring the amount within the approval level of the City Manager and any such proposed change order shall include within it all logically connected work required to be done at the time of the proposal.

(E) Notwithstanding the foregoing provisions, the following change orders relating to utility construction projects or design and construction management projects are authorized to be processed in the following manner:

(1) Construction changes which require timely and expedited action in the field and which do not exceed the total monetary value of \$5,000 may be authorized by the Manager of Engineering Support Services for utility construction projects and by the Senior Project Manager or Assistant Director for the Department of Design and Construction Management for design and construction management projects. For construction projects which include services provided by a construction manager engaged by the city, the Manager of Engineering Support Services or the Senior Project Manager or Assistant Director for the Department of Design and Construction Management must obtain the construction manager's written concurrence that a construction change is necessary and that such change is consistent with the project's original scope of services. A construction change as previously described, may only occur when, prior to the commencement of any work, a written change order is executed by the individuals authorized herein and the construction contractor.

(2) Construction changes which require timely and expedited action in the field and which exceed \$5,000 but do not exceed \$10,000 may be authorized by the Director of Utilities or the Director of the Department of the Director of Design and Construction Management. For construction projects which include services provided by a construction manager engaged by the city, the Director of Utilities or the Director of Design and Construction Management must obtain the construction manager's written concurrence that a construction change is necessary and that such change is consistent with the project's original scope of services prior to the execution of a change order. A construction change, as previously described, may only occur when, prior to the commencement of any work, a written change order is executed by the individuals authorized herein and the construction contractor.

(3) Construction changes which require timely and expedited action in the field and which exceed \$10,000 but do not exceed \$50,000, and upon the recommendation of the

Director of Utilities or the Director of Design and Construction Management, may be authorized by the City Manager or his or her designated representative. For construction projects which include services provided by a construction manager engaged by the city, the Director of Utilities or the Director of Design and Construction Management must obtain the construction manager's written concurrence that a construction change is necessary and such change is consistent with the project's original scope of services prior to the execution of a change order. A construction change, as previously described, may only occur when, prior to the commencement of any work, a written change order is executed by the individuals authorized herein and the construction contractor.

(4) All change orders authorized in accordance with this division (E) are subject to the written confirmation or approval as to the availability of sufficient funding for each change order by the official authorizing such change orders.

(F) On a monthly basis, all change orders authorized in accordance with subdivision (B)(1) which exceed 10% of the original contract amount and all change orders authorized in accordance with division (E) shall be presented to the City Commission for informational purposes.

#### **§ 38.48 TERMINATION, EXTENSION AND RENEWAL OF CONTRACTS.**

(A) *Termination.* The City Manager or his/her designee is hereby authorized to terminate any contract entered into by the city when he/she determines that a party to the contract has breached or failed to perform one or more of its obligations under the contract. Except in the case of an emergency, where such advance notice is not possible, or where the contract was entered into without City Commission approval, the City Manager or his/her designee must provide sufficient prior written notice to the Mayor and each Commissioner so that they can make any necessary inquiries at the next Commission meeting. When a contract is entered into by the city pursuant to City Commission approval and is terminable by the city without cause, only the City Commission is authorized to terminate the contract without cause; provided, however, that any termination without cause shall require at least a five-sevenths (5/7ths) affirmative vote of the City Commission. If the Mayor or any Commissioner desires that a contract be terminated without cause, he/she shall notify the City Manager in writing and request that the item be placed on the next Commission agenda.

(B) *Extensions.* The City Manager or his/her designee is hereby authorized to extend, for operational purposes only and for a maximum of 90 days, any contract entered into by the city pursuant to City Commission approval. Any further extensions of such contract require the approval of the City Commission.

(C) *Renewals.*

(1) *General.* When a contract entered into by the city pursuant to City Commission approval provides for one or more renewals by affirmative action of the city and the estimated annual cost of a renewal exceeds \$50,000, only the City Commission is authorized to approve such renewals. When a contract entered into by the city pursuant to City Commission approval provides for one or more renewals by affirmative action of

the city and the estimated annual cost of a renewal of the contract does not exceed \$50,000, the Director shall have the authority to recommend to the City Manager approval or rejection of the renewal if it is the first, second, or third renewal of the contract, but only the City Commission is authorized to approve any subsequent renewal.

(2) *Automatic.* When a contract is entered into by the city pursuant to City Commission approval and provides for one or more automatic renewals unless one party notifies the other of its intent not to renew, only the City Commission is authorized to decide not to renew the contract; provided, however that any decision not to renew such a contract shall require at least a five-sevenths (5/7ths) affirmative vote of the City Commission.

(D) *Employment contracts.* The provisions of this section shall not apply to the employment contracts of the City Manager, City Attorney and contractual employees.

(E) *Conflicting contractual provisions.* Specific provisions of contracts and ordinances that conflict with the provisions of this section shall control over this section.

(F) *Application to existing and future contracts.* The provisions of this section shall apply to every contract in existence on the effective date of this section and every contract entered into thereafter.

#### **§ 38.49 PURCHASES OF REAL PROPERTY.**

(A) In every instance in which the city seeks to acquire by purchase real property, every appraisal, offer and counter-offer shall be in writing. The city shall maintain complete records of every appraisal, offer and counteroffer.

(B) The selection of an appraiser for the purposes of this section shall be made by the Director of the city pursuant to the open market procedure set forth in § 38.43 herein.

(C) By the adoption of this section, the Commission reserves the rights set forth in F.S. § 166.045 with respect to exercising the limited exemptions from public disclosure of certain documents under the Public Records Act.

#### **§ 38.50 PREFERENCES FOR LOCAL BIDDERS.**

(A) For the purpose of this section, unless the context clearly indicates or requires a different meaning, “local Hollywood vendor” shall mean a business entity which has maintained a permanent place of business with full-time employees within the City limits for a minimum of one year prior to the date of issuance of a bid or proposal solicitation. The permanent place of business must be the primary place of business of the entity and may not be a post office box or a personal residence. The business must actually distribute goods or services from the permanent place of business. The business must have a current local business tax receipt from the City of Hollywood and must not be publicly traded.

(B) For the purpose of this section, unless the context clearly indicates or requires a different meaning, “set-aside” shall mean a contract practice restricting eligibility for the

competitive award of a contract or other competitive procurement opportunity solely to local Hollywood vendors as defined in § 38.50(A.)

(C) *Process.*

(1) Competitive bid. For bid evaluation purposes, a local Hollywood vendor shall be given a 5% evaluation credit. This shall mean that if a local Hollywood vendor submits a bid that is within 5% of the lowest bid submitted by a responsive, responsible bidder, the local Hollywood vendor shall have an option to submit another bid which is at least 1% lower than the lowest responsive, responsible bid. If the local Hollywood vendor submits a bid which is at least 1% lower than the lowest responsive, responsible bid, then the award will go to the local Hollywood vendor. If not, the award will be made to the bidder that submits the lowest responsive, responsible bid. If the lowest responsive, responsible bidder is a local Hollywood vendor, the award will be made to that vendor and no other bidders will be given an opportunity to submit additional bids as described herein.

(2) If multiple local Hollywood vendors submit bids which are within 5% of the lowest bid submitted by a responsive, responsible bidder, then all those local Hollywood vendors within 5% will be asked to submit a sealed best and final offer to the City Clerk's Office, at a date and time to be assigned by the Director. The award will be made to the local Hollywood vendor submitting the lowest best and final offer, providing that that best and final offer is at least 1% lower than the lowest bid submitted by a responsive, responsible bidder in the original solicitation. If no local Hollywood vendor beats the lowest bid by at least 1% of the lowest responsive, responsible bid submitted in the original solicitation, the award will be made to the lowest responsive, responsible bidder in the original solicitation regardless of geographic location of the business.

(D) *Competitive proposal.* For evaluation purposes, status as a local Hollywood vendor shall be a criterion for award in any Request For Proposals unless specifically exempted by the City Manager or the City Commission.

(E) *Set-aside bids.* Electrical, fencing, janitorial, landscaping, painting, sprinkler/irrigation, and welding services are shall be procured by set-aside when the estimated annual cost does not exceed \$100,000. No procurement shall be done as a set-aside unless there are a minimum of three local Hollywood vendors that appear to be capable of providing the services to be procured. If a procurement is done as a set-aside and the bids are not economically comparable to non-set-aside market pricing, the procurement shall be canceled.

(F) *Exceptions.* No local Hollywood vendor preference will be included in the following solicitations.

(1) A cooperative purchase.

(2) A purchase with respect to which the use of local Hollywood vendor preference is prohibited by law.

(3) A purchase funded in whole or in part by a governmental entity, where the applicable laws, rules, regulations or policies prohibit the use of local preferences.



(4) A local Hollywood vendor which is non- responsive or non-responsible.

(5) A purchase exempt, under § 38.40(C), from the competitive bid and competitive proposal requirements of the Purchasing Ordinances.

(6) Any solicitation exempted by the City Manager and/or the City Commission from local Hollywood vendor preference.

(G) *Additional restrictions.* No local Hollywood vendor shall receive more than three set-aside bid award contracts in a fiscal year. A local Hollywood vendor that has received at least one set-aside bid award contract in each of three consecutive fiscal years subsequent to fiscal year 2012 shall not be eligible to participate in set-aside bids for the following fiscal year.

### **§ 38.51 PROTESTS.**

(A) After a notice of intent to award a contract is posted, any actual or prospective bidder who is aggrieved in connection with the pending award of the contract or any element of the process leading to the award of the contract may protest to the Director. A protest must be filed within five business days after posting or any right to protest is forfeited. The protest must be in writing, must identify the name and address of the protester, and must include a factual summary of, and the basis for, the protest. Filing shall be considered complete when the protest, including the deposit described in division (F) below, is received by the Division.

(B) Upon receipt of a protest of the pending award of a contract, a copy of the protest shall promptly be forwarded to the City Attorney. The City Attorney shall thereupon review the charge to determine its sufficiency, including whether the protest was timely filed. If upon review the City Attorney determines that the charge is insufficient, the City Attorney may issue a summary dismissal of the protest. If upon review the City Attorney determines that the charge is sufficient, a hearing of the protest committee shall be scheduled.

(C) A protest committee shall have the authority to review, settle and resolve the protest. The committee shall consist of three members appointed by the City Manager. Each member of the committee shall be either the director of an administrative department established by § 37.01(A) of the Code of Ordinances or the director of a special office established by the City Manager pursuant to § 37.01(C) of the Code of Ordinances. The committee's review shall be informal. At the time the City Manager appoints the committee, he or she shall designate one member to serve as the chairperson of the committee. The City Attorney or designee shall be counsel to the committee.

(D) If the protest committee determines that the pending award of a contract or any element of the process leading to the award involved a significant violation of law or applicable rule or regulation, all steps necessary and proper to correct the violation shall be taken. If the committee determines that the protest is without merit, the Director shall promptly issue a decision in writing stating the reason for the decision and furnish a

copy to the protester and any other interested party, and the process leading to the award shall proceed forthwith.

(E) In the event of a timely protest, the Director shall stay the award of the contract unless after consulting with the City Attorney and the using agency, he or she determines that the award of the contract without delay is necessary to protect substantial interests of the city.

(F) The Division shall require a deposit from a protester to compensate the city for the expenses of administering the protest. If the protest is decided in the protester's favor, the entire deposit shall be returned to the protester. If the protest is not decided in the protester's favor, the deposit shall be forfeited to the city. The deposit shall be in the form of cash or a cashier's check and shall be in the amount of 1% of the amount of the pending award, with a minimum deposit of \$250 and a maximum deposit of \$1,000.

### **§ 38.52 PREVAILING RATE OF WAGES AND FRINGE BENEFITS ON CITY CONSTRUCTION CONTRACTS.**

(A) *Establishment of minimum wages.* Every construction contract in excess of the dollar amount set by resolution of the City Commission to which the city is a party, shall include a provision that the rate of wages and fringe benefits, or cash equivalent, for all laborer, mechanics and apprentices employed by any contractor or subcontractor on the work covered by the contract shall be not less than the prevailing rate of wages and fringe benefit payments or cash equivalent for similar skills or classifications of work as established by the General Wage Decision by the United States Department of Labor for Broward County, Florida that is in effect prior to the date the city issues its invitation for bids. If the General Wage Decision fails to provide for a fringe benefit rate for any worker classification, then the fringe benefit rate applicable to the worker classification shall be the fringe benefit rate applicable to the worker classification with a fringe benefit rate that has a basic hourly wage closest in dollar amount to the worker classification for which no fringe benefit rate has been provided.

(B) *Notice requirement.* Upon commencement of work on a construction contract to which this section applies, the contractor and all subcontractors shall post a notice in a prominent place at the work site stating the requirements of this section.

(C) *Preempting by federal funding.* When construction contracts involve federal funding or are otherwise subject to the provisions of the Davis-Bacon Act (40 U.S.C. § 276 (a), as amended from time to time), this section shall not apply, and the minimum wages to be paid to the various classes of laborers, mechanics and apprentices shall be based upon the wages determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. § 276 (a), as amended from time to time).

(D) *Exceptions.* The provisions of this section shall not apply to any city construction project when the contractor for the project has been terminated for any reason, when a project is re-bid for any reason or when a project uses a design-build contract. The provisions of this section shall also not apply to any off-site improvements to be made by a developer as required by the city as a condition of the issuance of a development permit or to any construction project performed by the city utilizing its own employees.

(E) If any question should arise concerning the application of this section, which is not specifically addressed, then the Director may, but is not required to rely on rules, regulations, practices, administrative rulings and court decisions governing application of the Davis-Bacon Act.

(F) Every contractor and subcontractor required to pay prevailing wages as established by this section shall submit to the city on a regular basis, but not less than monthly, payroll sheets, which have been certified under oath by the contractor and/or subcontractor as to their accuracy and compliance with the provisions of this section. The certified payroll sheets shall contain the following: name and address of each employee; his/her current classification; rate of pay (including rates of contributions for, or costs assumed to provide, fringe benefit(s); daily and weekly number of hours worked; deductions made; and actual wages paid. Such records shall be maintained by the contractor and subcontractor for a period of at least one (1) year following completion of the work.

(G) The Director may withhold, or cause to be withheld from the contractor, so much of any requisitioned payment as may be considered necessary to pay laborers, mechanics and apprentices the full amount of wages required by this section. The Director or his/her designee, may enter on the job site and conduct such inquiries of the contractor's workers and any subcontractor's workers to determine whether this section is being complied with. If any contractor or subcontractor fails to pay any laborers, mechanic or apprentice employed or working on the job site all or part of the wages required by this section, then the Director may, after written notice to the contractor, take such action as may be necessary to cause suspension of any further payments or advances until such violations have been ceased. If the violations are not corrected, the city may terminate the contractor's right to proceed with the work for which there has been a failure to pay the required wages and take such steps as are necessary to complete the work, whereupon the contractor and its sureties shall be liable to the city for all excess costs incurred by the city.

(H) The contractor shall insert in any subcontracts such language as is necessary to require all subcontractors to comply with the requirements of this section. The contractor shall be responsible for noncompliance by any subcontractor. This section shall be deemed part of any contract entered into between the city and any contractor and between a contractor and any subcontractors covered by this section.

(I) Any person, corporation, entity or firm found guilty of violating the provisions of this section shall be punished as provided in § 10.99.

## **§ 34.01 DEFINITIONS.**

(A) For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**COMPENSATION.** Any money, thing of value or economic benefit conferred on or received by any person in return for services rendered or to be rendered by himself or another, including, without limitations, a promise of future employment.

**EMPLOYEE.** Every person engaged in any employment with the city and/or the Hollywood Community Redevelopment Agency (CRA) under any appointment or contract of hire, express or implied, oral or written, for compensation, including, without limitation, all full-time, part-time, seasonal, permanent, probationary and temporary employees.

**FINANCIAL INTEREST.** Having an interest, as owner, member, partner, officer, employee, stockholder or other participant of or in any private business, enterprise or profession.

**IMMEDIATE FAMILY.** An individual who is related to the public official or employee as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister.

**LOBBYING.** Communicating directly or indirectly, by any form of communication, with one or more elected officials of the state or one or more elected officials of any political subdivision, on behalf of a principal other than the city or an organization described in Section 501(c)(3) of the Internal Revenue Code, for compensation where the lobbyist seeks to encourage the passage, defeat, modification, or repeal of any item regarding an invitation for bids, requests for proposals, requests for qualifications, requests for letters of interest, or other competitive solicitation which may be presented for a vote before such elected official or officials.

**MATERIAL ECONOMIC EFFECT.** An action or decision shall be deemed to have a material effect on an economic interest if, by reason of the action or decision, an investment, or interest in real property may increase or decrease in value other than negligible, or a business entity or person will gain or lose monetarily, other than negligible.

**MINISTERIAL.** Actions which do not involve discretion, judgment or evaluation.

**OFFICER.** An individual who in the performance of his or her official duties is vested by law with sovereign powers of government, specifically excluding members of noncompensated advisory or quasi-judicial boards of the city.

**POLITICAL SUBDIVISION.** A county, municipality, school district, or any other district in this state.

(B) The terms **AFFECT, PARTICIPATE, INFLUENCE, or ATTEMPT TO INFLUENCE** the decision of the city or pertinent agency or department thereof, shall be deemed to include, without limitation, the following:

- (1) Participation in debate or deliberations or voting on such decision;
- (2) Preparation of oral or written reports concerning such decision;
- (3) Rendition of oral or written advice concerning such decision;
- (4) Testimony before a public agency concerning such decision;

(5) Discussions concerning such decision with any officer or employee who participates in making such decision;

(6) Submission of letters or other documents to any officer or employee who participates in making such decision; and

(7) Issuance or denial of official approvals.

#### **§ 34.02 CONFLICT OF INTERESTS PROHIBITED.**

(A) No officer or employee of the city and/or the CRA shall have or hold any contractual relationship with, engage in private employment with, or render services for compensation for:

(1) Any private person who has any business transactions or contractual relationships with the city and/or the CRA. However, this provision shall not apply if the City Manager or the Executive Director of the applicable CRA district determines that the application hereof would prevent such officer or employee, other than a member of the City Commission, the City Manager, or the City Attorney, from accepting other employment or following any pursuit which does not interfere with the full and faithful discharge by such officer or employee of his or her duties to the city and/or the CRA.

(2) Any private person who requires, or with respect to whom it is reasonably foreseeable, will require, in the ordinary conduct of his/her business, enterprise or profession, or any business, enterprise or profession in which he/she has a financial interest, any kind of review, approval, permits, permission, local business tax receipts, or licenses from the city or any of its departments or agency thereof or from the CRA. However, this provision shall not apply if such officer or employee does not have any position of employment, appointment, or authority with the city and/or the CRA to affect in any material way or to participate in, or in any way materially influence or attempt to influence:

(a) The decision by the city, or pertinent city department or agency thereof, or the CRA, to approve such permits, local business tax receipts, licenses, review or permission;

(b) Any other action or decision by the city or its departments or agency thereof, or by the CRA, relating in any material way to such permits, local business tax receipts, licenses, review, or permission, except merely ministerial action.

(B) No officer or employee of the city and/or the CRA shall participate in, influence, or attempt to influence, or affect in any material way any action of or decision by the city, the CRA, or pertinent departments or agency thereof, relating, directly or indirectly, to any matter which would have a material economic effect on any person, business, enterprise or profession in which such officer or employee or any member of his immediate family has a financial interest.

(C) Divisions (A) and (B) shall not apply to any officer or employee of the city and/or the CRA with respect solely to any matter which could not legally, in the written opinion of the City Attorney, be acted upon or decided by the city, the CRA, or pertinent departments or agency thereof, without his or her participation; provided that such officer or employee specifically disclose, in writing to the City Attorney, as a matter of official public record, the existence of the interest or relationship prohibited by divisions (A) and (B) and describe with particularity the nature of such interest or relationship before he or she acts or decides or participates in any action or decision; and provided further that he or she in no way attempts to influence any other public official with respect to the matter.

(D) Divisions (B) shall not apply if the action or decision affects an economic interest of such officer or employee as a member of the public, or a significant segment of the public, or as a member of an industry, profession, or occupation, to no greater extent than any other such member of the public, segment of the public, or an industry, profession or occupation, as opposed to such officer's or employee's particular private economic interest.

(E) None of the provisions of this section shall operate or be construed to prohibit:

(1) Members of the City Commission or members of the CRA Board from having a financial interest in, representing, or having business transactions with any private person requiring action or decision from the city and/or the CRA as specified in division (A)(2) above; provided that such action or decision is not to be taken or made by the City Commission or the CRA Board and further provided that such members do not affect, influence, attempt to influence or participate in such action or decision by the city or the CRA.

(2) Any officer or employee directly involved in a matter as an applicant or otherwise in his or her private capacity, from providing whatever information is necessary and performing any other steps which are required of other citizens in the same situation, individually or by representative, providing he or she does not otherwise affect, influence, attempt to influence or participate in the action or decision of the city and/or the CRA concerning such matter.

(F) Any officer or employee of the city and/or the CRA who is unsure of the application or nature of the prohibitions contained in this section, may secure a written opinion from the City Attorney. When said opinion is complied with in the good faith belief that it is consistent with the provisions of this section, such person shall thereafter be entitled to rely on said opinion in discharging his or her official duties and shall be exempt from the penalties and sanctions of this section.

(G) No official, officer or employee shall, for a period of two years after his or her city and/or CRA service or employment has ceased, act as agent or attorney for anyone other than the city or CRA, in connection with any judicial or other proceeding, application, request for ruling or other determination, contract, claim, controversy, charge, accusation, arrest or other particular matter, in which the city, one of its agencies, or the CRA, is a party or has a direct and substantial interest, and in which the particular matter he or she participated personally as an official, officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, while so employed in city and/or CRA service. Nothing in this section shall prohibit anyone from acting in a representative capacity if he or she would not have been prohibited from so acting during his or her city or CRA service, pursuant to divisions (A) through (E) of this section.

### **§ 34.03 RESTRICTION OF EMPLOYMENT OF RELATIVES.**

(A) In this section, unless the context clearly requires otherwise:

(1) **PUBLIC OFFICER OR EMPLOYEE.** Any officer or employee of the city, including, without limitation, all elected officials, but specifically excluding members of non-compensated advisory boards of the city.

(2) **EMPLOYEE.** Every person engaged in any employment with the city, including, without limitation, all full-time, part-time, seasonal, contractual, probationary, permanent and temporary employees.

(3) **RELATIVE.** An individual who is related to the public officer or employee as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-

law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister.

(B) After the effective date of this section, a relative of a public officer or employee shall only be hired by the city if such applicant is ranked among the top three available on the certified eligibility list, and the City Manager (or the City Attorney as to assistant city attorneys), in his/her sole discretion, determines that all city policies and procedures have been properly followed and that it is in the best interest of the city to hire said applicant. For purposes of this section, persons who are elected to office in the city shall not be deemed to be hired by the city.

(C) The penalty provisions contained in F.S. § 112.317, as amended from time to time, shall be the penalty provisions applicable to the city's new nepotism ordinance to the same extent and manner that such penalty provisions are applicable to the State Nepotism Statute.

(D) All persons employed by the city on the effective date of this section who presently have existing relationships that would otherwise prohibit their employment by the city, shall not be affected by the prohibition on employment contained herein; provided, however, that all persons who are protected by this exemption shall be subject to the provisions of F.S. § 112.3135, as amended from time to time.

#### **§ 34.04 CODE OF ETHICS FOR PLANNING BOARD MEMBERS.**

(A) For purposes of this subsection, the following definitions shall apply unless the context indicates or requires a different meaning:

(1) **APPLICANT** shall mean a person who has either an ownership or leasehold interest in the subject property.

(2) **CONFLICT OF INTEREST** shall mean a situation in which regard for a private interest tends to lead to disregard of a public duty or interest and includes any actual or potential benefits or advantages that the Planning Board Member, his/her spouse, family member or person(s) living in his/her household might directly or indirectly obtain from a planning decision.

(3) **PLANNING BOARD MEMBER** shall mean those individuals appointed by the City Commission to serve on either the Planning and Development Board, Historic Preservation Board.

(B) An individual serving as a Planning Board Member shall comply with the following:

(1) A Planning Board member shall abstain from direct or indirect participation as an advisor or decision-maker in any matter in which the member has a conflict of interest as described in F.S. Ch.112.

(2) A Planning Board member shall exercise fair, honest, and independent judgment in his/her role as a decision-maker advisor.

(3) A Planning Board member shall respect the rights of all persons and not discriminate against or harass others based on characteristics which are protected under any law.

(4) A Planning Board member shall make public disclosure of all conflicts of interest which he/she may have regarding any decision to be made in the planning process.

(5) A Planning Board member shall not represent applicants on petitions brought before the board on which the member has been appointed. However, if the Planning Board member is the applicant, such prohibition does not apply.

(6) A Planning Board member shall not disclose or use information acquired in the course of his or her duties for his/her personal gain or benefit or for the personal gain or benefit of any other person or entity.

(7) A Planning Board member shall not misrepresent facts or distort information for the purpose of achieving a desired outcome.

(8) A Planning Board member shall not participate in any matter unless sufficiently capacitated to render thorough and diligent service.

#### **§ 34.05 LOBBYING PROHIBITED.**

(A) No member of the City Commission shall engage in any act or acts of lobbying, except on behalf of the city as specifically approved in advance by the City Commission.

(B) The provisions of this section shall not apply to any contract for lobbying services in existence on the effective date of this section.

#### **§ 34.99 PENALTY.**

Any person found guilty of the willful violation of § 34.02 shall, upon conviction, be punished by a fine not to exceed \$250 or by imprisonment not to exceed 60 days, or by both such fine and imprisonment. The violation of § 34.02 shall further constitute malfeasance and any person found guilty of violation of § 34.02 shall forfeit his or her office, position or employment, including all benefits or rights applicable thereto.



## **§ 30.15 LOBBYIST/VENDOR REGULATIONS**

### **(F) Cone of silence.**

(1) CONE OF SILENCE means a prohibition on any communication regarding a particular Request for Proposals (RFP), Request for Qualifications (RFQ), Request for Letters of Interest (RLI), bid or other competitive solicitation governed by § 38.40 of the Code of Ordinances or (ii) a particular request for exemption under paragraph 38.40(C)(5) of the Code of Ordinances for a purchase governed by § 38.40 of the Code of Ordinances between:

(a) Any person who seeks an award therefrom, including a potential vendor or vendor's representative, and

(b) Any member of the City Commission, all other city employees, and any non-employee appointed to evaluate or recommend selection in such procurement process. For purposes of this division, VENDOR'S REPRESENTATIVE means an employee, partner, officer, or director of a potential vendor, or consultant, lobbyist, or actual or potential subcontractor or sub-consultant of a vendor.

(2) A cone of silence shall be applicable to the following:

(a) Each each RFP, RLI, RFQ, bid, or other competitive solicitation upon a determination by the Director of Procurement Services that sufficient specifications have been provided to begin development of the formal documents necessary for the issuance of the applicable RFP, RLI, RFQ, bid or other competitive solicitation. At the time of imposition of the cone of silence, public notice of the cone of silence shall be posted. A statement disclosing the requirements of this division shall be included in any advertisement and public solicitation for goods and services. The City Manager or his/her designee shall issue a notice to the affected department(s), the City Clerk, and City Commission's Office that such RFP, RLI, RFQ, bid or other competitive solicitation has been issued and the cone of silence has been imposed.

(b) Each request for exemption under § 38.40(C)(5) of the Code of Ordinances. At the time of imposition of the cone of silence, public notice of the cone of silence shall be posted. The cone of silence shall go into effect upon a determination by the Director of Procurement Services that sufficient information has been provided to evaluate the request. The City Manager or his/her designee shall issue a notice to the affected department(s), the City Clerk, and City Commission's Office that such request for exemption has been made and the cone of silence has been imposed.

(3) The cone of silence shall terminate at the time the city awards or approves a contract, votes to reject all bids or responses, or otherwise takes action which ends the solicitation or other procurement process. If the City Commission refers the item back to the City Manager and staff for further review, the cone of silence shall remain in effect until an award is made, a contract is approved, or the City Commission takes any other action which ends the solicitation or other procurement process. If a cone of silence is imposed for a competitive solicitation but the solicitation is not issued, the cone of silence shall terminate upon a final determination by the Director of Procurement Services that the solicitation will not be issued. If a cone of silence is imposed for a purchase for which a request for exemption under § 38.40(C)(5) of the Code of Ordinances is made but the proposed purchase is not made, the cone of silence shall terminate upon a final determination by the Director of Procurement

Services that the proposed purchase will not be made. When a cone of silence is terminated, public notice of the termination shall be posted.

(4) Nothing contained herein shall prohibit any potential vendor or vendor's representative:

(a) From making public presentations at a duly noticed pre-bid conference or before a duly noticed evaluation committee meeting;

(b) From communicating with the City Commission during a duly noticed public meeting; or

(c) From communicating verbally or in writing with a city employee for the limited purpose of seeking clarification or additional information, when such employee is specifically designated in the applicable RFP, RLI, RFQ, or bid documents. Only written addenda will be binding. No oral representations, clarifications, or changes made to the written specification by the city's employees, shall be binding unless such clarifications or changes are provided to bidders/proposers in written addendum form. All written information shall be provided to the members of the applicable Evaluation Committee, including any response thereto and attached to the City Commission agenda item or to the City Manager for consideration of the award under the applicable competitive solicitation.

(d) From communicating in writing with the Director of Procurement Services or other staff person specifically designated on the procurement document, subject to the following provisions:

The potential vendor or vendor's representative shall deliver a copy of any such written communication to the City Clerk, who shall make copies available to the public upon request. The written communication shall include a reference to the RFP, RLI, RFQ, or other bid document number.

All written information shall be provided to the members of the applicable Evaluation Committee, including any response thereto and attached to the City Commission agenda item or to the City Manager for consideration of the award under the applicable competitive solicitation.

(e) From communicating verbally, or in writing to the City Manager, the City Manager's designee, the City Attorney or the City Attorney's designee on those procurement items to be considered by the City Commission.

(f) From attending meetings with homeowner associations, civic associations and the like to discuss a particular RFP, RFQ, RLI, bid or other competitive solicitation where a City Commissioner is in attendance.

(5) Penalties. A violation of, or failure to comply with this division shall subject the offender, upon conviction, to a fine of \$500.00, or imprisonment for a period not to exceed 60 days, or both such fine and imprisonment shall be imposed. In addition, the provisions of divisions (E)(6) through (8) below shall apply.

(6) The City Manager shall be informed of any vendor/vendor's representative who is alleged to have violated the requirements of this division. In such an event, the City Manager shall cause an investigation to be performed by the Cone of Silence Evaluation Committee

(herein referred to as the Committee). The Committee shall be comprised of the Director of Financial Services, the Director of Business Development, the City Clerk, and the director or designee of the department or office for which the contract is to be awarded. The director of the department or office for which the contract is to be awarded, or his/her designee, shall serve as the chairperson of the Committee. The City Attorney or designee shall be counsel to the Committee.

The Committee shall investigate the alleged violations, and present a written report, including recommendations, to the City Manager. If the City Manager determines that a violation has occurred, he/she may void an award pursuant to division (7) below, and/or order a debarment as provided in division (8) below, based on the severity of the violation.

A copy of the Committee's report, and the City Manager's determination of a violation, if any, as well as the voiding of the award as provided in division (7) below and/or the order of debarment as provided in division (8) below, if any, shall be furnished or mailed to the vendor and vendor's representative who has been investigated.

(7) A determination of violation shall render any RFP award, RLI award, RFQ award, or bid award, or any contract entered into pursuant thereto, to said potential vendor voidable, at the sole discretion of the City Manager, for those contracts which he/she is otherwise authorized to approve, or the City Commission, for all other contracts.

(8) The debarment of a vendor due to said violation shall be for a period commensurate with the seriousness of the violation and shall continue for the duration ordered by the City Manager. Where the violation is willful or egregious, an indefinite term of debarment may be imposed. During the period of debarment, the vendor, and other companies with any of the officers or principals the same as the debarred vendor, may not bid on any city contracts, regardless of the dollar amount, nor be approved as a subcontractor on any city contract.

(9) Appeal. A vendor/vendor's representative who is determined to have violated this division and who has been penalized as provided in divisions (7) or (8), may appeal in writing within ten (10) days or the date of receipt of the notice of violation. Said appeal request shall be submitted to the City Clerk, who shall place the appeal on the next available City Commission meeting.

(Ord. O-92-27, passed 5-20-92; Am. Ord. O-2005-24, passed 11-2-05; Am. Ord. O-2007-05, passed 3-21-07; Am. Ord. O-2007-26, passed 9-19-07; Am Ord. PO-2013-12, passed 7-03-13)

# TERMS AND CONDITIONS

The following Terms and Conditions are applicable to this order entered into by and between the City of Hollywood (referred to as Buyer) and Vendor (referred to as Seller).

## **MODIFICATIONS**

This purchase order form and any other document pertaining to this transaction which has been acknowledged in writing by the Director is a complete and exclusive statement of this order. Accordingly no modification or amendment shall be binding upon the Buyer unless signed by the Director. The City Attorney has approved these standard terms and conditions as to form and legality. Accordingly no modification of these terms and conditions shall be binding upon buyer unless they are endorsed and approved by the City Attorney. In the event of a conflict between these terms and conditions and any other document pertaining to the transaction covered by this order, these terms and conditions shall prevail.

## **ASSIGNMENT**

Any assignment of this order or the performance of work hereunder, in whole or in part, is prohibited.

## **EXCUSABLE DELAYS**

The Buyer may grant additional time for any delay or failure to perform hereunder if the delay will not adversely impact the best interests of the Buyer and is due to causes beyond the control of the Seller. Such grant must be in writing and made part of the order.

## **DEFAULT**

In the event of default by the Seller, Buyer may procure the articles or services covered by this order from other sources and hold the Seller responsible for any excess costs occasioned thereby, in addition to all other available remedies at law or equity.

## **TERMINATION**

Buyer, acting through its City Manager or his/her designee, reserves the right to terminate this order in whole or in part for default (a) if Seller fails to perform in accordance with any of the requirements of this order or (b) if Seller becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Seller under any State or Federal Law relating to bankruptcy, reorganization, receivership or assignment for the benefit of creditors. Any such termination will be without liability to Buyer except for completed items delivered and accepted by the Buyer. Seller, will be liable for excess costs of procurement.

## **F.O.B.**

In those cases where F.O.B. point is not Destination, Seller is required to prepay freight charges and list separately on invoice. Collect shipments will not be accepted.

## **TERMS**

By accepting this order, the Seller agrees that payment terms shall be Net 30 unless otherwise stated.

## **INVOICING**

Seller must render original invoice to the City of Hollywood, Department of Financial Services, P.O. Box 229045, Hollywood, Florida 33022-9045.

## **TAX**

The City of Hollywood is exempt from Federal and State taxes for tangible personal property. Sellers doing business with the City, which are not otherwise exempt, shall not be exempt from paying sales tax to their suppliers for materials to fulfill contractual obligations with the City, nor shall any Seller be authorized to use the City Tax Exemption Number in securing such materials.

## **RESPONSIBILITY**

Responsibility will not be accepted for any goods delivered or services performed unless covered by a duly signed and authorized City of Hollywood order, issued by the Procurement Services Division.

## **ACCEPTANCE**

Seller's acceptance of this order will be presumed unless Seller acknowledges exception, in writing, to Buyer within ten (10) calendar days after date of order.

## **DELIVERIES**

Deliveries are to be made during the hours of 7:30 a.m. to 4:00 p.m. Monday through Friday, excluding holidays, unless otherwise stipulated. Seller shall notify the Buyer of deliveries that require special handling and/or assistance for off-loading. Failure to notify the Buyer concerning this type of delivery will

result in the billing to Seller of any add-on redelivery, storage or handling charges.

## **INSPECTION**

All Commodities delivered on this order are subject to inspection upon receipt by a representative of the Buyer. All rejected commodities shall remain the property of the Seller and will be returned at the Seller's expense.

## **QUANTITIES**

Quantities specified in the order cannot be changed without Buyer approval. Goods shipped in excess of quantity designated may be returned at the Seller's expense.

## **PAYMENT CHARGES**

Payments will be made only to the company and address as set forth on order unless the Seller has requested a change thereto on official company letterhead, signed by an authorized officer of the company.

## **ANTI-DISCRIMINATION**

Sellers doing business with the Buyer are prohibited from discriminating against any employee, applicant or client because of race, creed, color, national origin, sex or age with regard to but not limited to the following: employment practices, rates of pay or other compensations, methods and training selection.

## **UNIFORM COMMERCIAL CODE**

Florida law, including without limitation the Uniform Commercial Code (Chapter 670 – 680, Florida Statutes), shall apply to and supplement the terms and conditions of this order. Venue shall lie in a court of competent jurisdiction in Broward County, Florida.

## **LEGAL RESPONSIBILITY**

By accepting this order, Seller understands and agrees that the items covered herein, or services to be rendered, shall be manufactured, sold or performed in compliance with applicable Federal, State, County and Local laws, ordinances, rules and regulations. Lack of knowledge by the Seller shall in no way be a cause for relief from responsibility.

## **LIABILITY - COPYRIGHT/PATENT/TRADEMARK**

Seller shall save and hold harmless Buyer, its officers, employees and agents from liability for infringement of any United States patent, trademark or copyright for or on account of the use of any product sold to Buyer or used in the performance of this order.

## **INDEMNIFICATION**

Seller shall indemnify, hold harmless and defend Buyer, its officers, employees and agents from and against any and all claims, damages, liability, judgments or causes of action, including costs, expenses and attorney fees, incurred as a result of any error, omission or negligent act by the Seller, its officers, employees, agents, subcontractors or assignees arising out of this order.

## **OCCUPATIONAL SAFETY AND HEALTH**

Seller must comply with requirements under Chapter 442, Florida Statutes, that any toxic substance delivered as a part of this order must be accompanied by a Materials Safety Data Sheet (M.S.D.S.).

## **REPRESENTATIVE**

All parties to this order agree that the representatives named herein are, in fact, bonafide and possess full and complete authority to bind said parties.

## **PUBLICITY**

No endorsement by the City of the product and/or service will be used by Seller in any way, manner or form in product literature or advertising.

## **INSURANCE**

The Seller of services must have secured and maintained the required amount of \$1,000,000 general and \$500,000 automobile liability limits and must list the City as an additional insured of this coverage. The Seller must have worker's compensation coverage as required by law. Any exception to the above stated limits or other requirements must be endorsed and approved by the City of Hollywood Risk Manager.



# CITY OF HOLLYWOOD, FLORIDA

## PROCUREMENT SERVICES DIVISION

### Piggybacking Request Form

(Use for purchase(s) over \$15,000, when piggybacking off other contracts)

Date \_\_\_\_\_

Department/Office \_\_\_\_\_

Division/Area \_\_\_\_\_

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

---

1. Requested Vendor \_\_\_\_\_

Vendor Number \_\_\_\_\_

Address \_\_\_\_\_

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

2. Contract title requesting to piggyback? \_\_\_\_\_

Awarding Agency \_\_\_\_\_

Contract Expiration Date \_\_\_\_\_

Copy of Contract and Awarding Agency documentation is attached.

☐ Yes ☐ No

3. Product/Service being requested (be specific). \_\_\_\_\_

4. Detailed description of the products/services function and purpose. \_\_\_\_\_

5. Please explain what process the Department/Office took to verify and/or identify this contract. \_\_\_\_\_

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # BPO \_\_\_\_\_  
(As Applicable)

6. Were alternative contracts evaluated to determine that the City is obtaining the most advantageous contract pricing for the required product/service?

☐ Yes ☐ No

Please explain \_\_\_\_\_

7. Total cost of the requested product/service. \_\_\_\_\_

8. Total estimated annual (fiscal year) cost of requested product/service. \_\_\_\_\_

Account Number(s) \_\_\_\_\_

9. Is this product/service covered by a warranty? ☐ Yes ☐ No

If yes, please attach a copy of the warranty details.

10. Would this purchase(s) result in the potential of future purchases for related products/services being restricted to a particular vendor or create a specific vendor as sole source provider for related items?

☐ Yes ☐ No

If yes, please describe the related products/services and estimated cost(s.) \_\_\_\_\_

11. Would this purchase(s) result in any future maintenance costs which are not included in the initial purchase?

☐ Yes ☐ No

If yes, please attach a draft maintenance plan which includes cost estimates and funding source(s.)  
\_\_\_\_\_

12. Is this a grant related purchase? ☐ Yes ☐ No

If yes, please provide details (timeline, expiration dates, milestones, special procurement requirements, etc.) \_\_\_\_\_

Will this require matching funds? ☐ Yes ☐ No

What is the grant source? \_\_\_\_\_

What is the grant (dollar) amount? \_\_\_\_\_

13. Please complete an advanced search of the vendor recommended for award on the Federal Government's Systems for Award Management at [www.sam.gov](http://www.sam.gov).

Date of Advanced Search \_\_\_\_\_

Company Name(s) Searched

\_\_\_\_\_

\_\_\_\_\_

Search Results

\_\_\_\_\_

\_\_\_\_\_

*Procurement Service Division use only*

Requisition # R \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # BPO \_\_\_\_\_  
(As Applicable)

\_\_\_\_\_  
\_\_\_\_\_  
**REQUESTING DEPARTMENT RECOMMENDATION**

***Note: By signing and returning this form, you are verifying and acknowledging that you have reviewed all portions (scope, terms, conditions, pricing, etc.) of the requested contract and recommend its approval based on the contract complying with the City of Hollywood's scope and pricing requirements and to the best of your knowledge the contract does not violate any applicable policy, statute, governing rule or regulation.***

\_\_\_\_\_  
Contact Person's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director's Signature

\_\_\_\_\_  
Date

APPROVAL (Procurement Service Division Use Only)			
Verified By:		Date	
Approved By:		Date	

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # BPO \_\_\_\_\_  
(As Applicable)



# CITY OF HOLLYWOOD, FLORIDA

## PROCUREMENT SERVICES DIVISION

### Quote Approval Form (Use for purchase(s) from \$15,000 - \$24,999)

Date \_\_\_\_\_

Department/Office \_\_\_\_\_

Division/Area \_\_\_\_\_

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

1. Requested Vendor \_\_\_\_\_

Vendor Number \_\_\_\_\_

Address \_\_\_\_\_

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

2. Product/Service being requested (be specific.) \_\_\_\_\_

3. Detailed description of the product's/service's function and purpose. \_\_\_\_\_

Please list alternative products/services capable of performing the required function. \_\_\_\_\_

4. Copies of all written quotes are attached (minimum of 3 quotes are required) and valid for at least 30 days from the date in the header of this form.

☐ Yes ☐ No

5. Is the request to purchase from the lowest quote? ☐ Yes ☐ No

If not, please provide detailed justification as to why the lowest quote is not being requested.

\_\_\_\_\_

6. Requesting approval of:

☐ Purchase Order

☐ Blanket Purchase Order (quote pricing must be fixed for one year)

Procurement Service Division use only

Requisition # R \_\_\_\_\_

Purchase Order # P \_\_\_\_\_

Blanket Purchase Order # \_\_\_\_\_

BPO \_\_\_\_\_

(As Applicable)

(As Applicable)

(As Applicable)



7. Total cost of the requested product/service? \_\_\_\_\_

8. Total estimated annual (fiscal year) cost of requested product/service? \_\_\_\_\_

Account Number(s) \_\_\_\_\_

9. Is this product/service covered by a warranty? ☐ Yes ☐ No

If yes, please attach a copy of the warranty details.

10. Would this purchase(s) result in the potential of future purchases for related products/services being restricted to a particular vendor or create a specific vendor as sole source provider for related items?

☐ Yes ☐ No

If yes, please describe the related products/services and estimated cost (s.) \_\_\_\_\_

11. Would this purchase(s) result in any future maintenance costs which are not included in the initial purchase?

☐ Yes ☐ No

If yes, please attach a draft maintenance plan which includes cost estimates and funding source(s.)  
\_\_\_\_\_

12. Is this a grant related purchase ☐ Yes ☐ No

If yes, please provide details (timeline, expiration dates, milestones, special procurement requirements, etc.) \_\_\_\_\_

Will this require matching funds? ☐ Yes ☐ No

What is the grant (dollar) amount? \_\_\_\_\_

What is the grant source? \_\_\_\_\_

13. Please complete an advanced search of the vendor recommended for award on the Federal Government's Systems for Award Management at [www.sam.gov](http://www.sam.gov).

Date of Advanced Search \_\_\_\_\_

Company Name(s) Searched

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Search Results

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
BPO \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # \_\_\_\_\_  
(As Applicable)

**REQUESTING DEPARTMENT RECOMMENDATION**

***Note: By signing and returning this form, you are verifying and acknowledging that you have reviewed all portions (scope, terms, conditions, pricing, etc.) of the requested contract and recommend its approval based on the contract complying with the City of Hollywood's scope and pricing requirements and to the best of your knowledge the contract does not violate any applicable policy, statute, governing rule or regulation.***

\_\_\_\_\_  
Contact Person's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director's Signature

\_\_\_\_\_  
Date

**APPROVAL (Procurement Service Division Use Only)**

Verified By:		Date	
Approved By:		Date	

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
BPO \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # \_\_\_\_\_  
(As Applicable)





# CITY OF HOLLYWOOD, FLORIDA

## PROCUREMENT SERVICES DIVISION

### Sole Source Justification Form (Use for Purchases(s) in excess of \$2,500)

**Per City of Hollywood Ordinance § 38.40 (C) (3) 'sole source' purchases are exempt from the competitive bid and competitive proposal requirements.** *Sole-source supplies and services, such as unique, patented, or franchised supplies or services, are exempt if the Director of Procurement Services determines, after a good faith review of available sources, that a particular supply or service is available from only one source.*

Date \_\_\_\_\_

Department/Office \_\_\_\_\_

Division/Area \_\_\_\_\_

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

---

1. Requested Vendor \_\_\_\_\_

Vendor Number \_\_\_\_\_

Address \_\_\_\_\_

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

2. Product/Service being requested (be specific). \_\_\_\_\_

3. Detailed description of the product/service function and purpose. \_\_\_\_\_

4. Please explain in detail why this vendor is the sole source supplier for the required product/service. Be sure to explain the necessary features this vendor provides which are not available from any other vendor.

5. Please explain in detail what process the Department/Office took to verify that there are no other vendors or products/services available to perform the required function.

Procurement Service Division use only

Requisition # R \_\_\_\_\_

Purchase Order # P \_\_\_\_\_

Blanket Purchase Order # \_\_\_\_\_

BPO \_\_\_\_\_

(As Applicable)

(As Applicable)

(As Applicable)

(Revised 9/2013)

6. Please submit supporting documentation from the vendor or other sources certifying that this vendor is a sole source for the required product/service being requested. For example, the vendor holds the distribution rights, productions rights, copyrights, trademark and/or patent:

☐ Vendor holds the exclusive rights for the product/service.

☐ Vendor is the sole provider of the product/service that has unique characteristics essential to the needs which no other product is capable.

☐ Product is replacing existing product and necessary to maintain warranty or service contract.

☐ Product is replacing existing product and is not interchangeable with any other product.

7. Total cost of the requested product/service? \_\_\_\_\_

8. Total estimated annual (fiscal year) cost of requested product/service? \_\_\_\_\_

Account Number(s) \_\_\_\_\_

9. Is this product/service covered by a warranty? ☐ Yes ☐ No

If yes, please attach a copy of the warranty details.

10. Would this purchase(s) result in the potential of future purchases for related products/services being restricted to a particular vendor or create a specific vendor as sole source provider for related items?

☐ Yes ☐ No

If yes, please describe the related products/services and estimated cost(s.)

\_\_\_\_\_

11. Would this purchase(s) result in any future maintenance costs which are not included in the initial purchase?

☐ Yes ☐ No

If yes, please attach a draft maintenance plan which includes cost estimates and funding source(s.)

\_\_\_\_\_

12. Is this a grant related purchase? ☐ Yes ☐ No

If yes, please provide details (timeline, expiration dates, milestones, special procurement requirements, etc.) \_\_\_\_\_

Will this require matching funds? ☐ Yes ☐ No

What is the grant source? \_\_\_\_\_

What is the grant (dollar) amount? \_\_\_\_\_

13. Please complete an advanced search of the vendor recommended for award on the Federal Government's Systems for Award Management at [www.sam.gov](http://www.sam.gov).

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
BPO \_\_\_\_\_

Purchase Order # P \_\_\_\_\_

Blanket Purchase Order # \_\_\_\_\_

(As Applicable)

(As Applicable)

(As Applicable)

(Revised 9/2013)

Date of Advanced Search \_\_\_\_\_

Company Name(s) Searched

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Search Results

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### REQUESTING DEPARTMENT RECOMMENDATION

**WARNING:** Per Florida Statutes 838.22(2) – “It is unlawful for a public servant, with corrupt intent to obtain a benefit for any person or to cause unlawful harm to another, to circumvent a competitive bidding process required by law or rule by using a sole-source contract for commodities or services.

I recommend that the competitive quoting/bidding process be waived and that the goods/services be purchased as a sole source.

\_\_\_\_\_  
Contact Person's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Supervisor's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director's Signature (required over \$10,000)

\_\_\_\_\_  
Date

### APPROVAL (Procurement Service Division Use Only)

Verified By:		Date	
Approved By:		Date	

Procurement Service Division use only

Requisition # R \_\_\_\_\_

BPO \_\_\_\_\_

(As Applicable)

Purchase Order # P \_\_\_\_\_

(As Applicable)

Blanket Purchase Order # \_\_\_\_\_

(As Applicable)

(Revised 9/2013)



# CITY OF HOLLYWOOD, FLORIDA

## PROCUREMENT SERVICES DIVISION

### Solicitation Request Form (Use for bids, RFPs, RLIs, RFQs)

Date \_\_\_\_\_

Department/Office \_\_\_\_\_

Division/Area \_\_\_\_\_

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

1. Product/Service being requested (be specific.) \_\_\_\_\_

2. Detailed description of the products/services function and purpose. \_\_\_\_\_

Are there alternative products/services capable of performing the required function? \_\_\_\_\_

3. Has this product/service previously been formally solicited by the City of Hollywood?

☐ Yes ☐ No ☐ Unsure

If yes, please provide previous solicitation number. \_\_\_\_\_

4. Has this product/service previously been formally solicited by another government agency?

☐ Yes ☐ No ☐ Unsure

If yes, please provide details and copy if available. \_\_\_\_\_

5. Total estimated cost of the requested product/service? \_\_\_\_\_

Has this cost been approved in your budget? ☐ Yes ☐ No

If yes, provide Account Number (s.) \_\_\_\_\_

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
BPO \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # \_\_\_\_\_  
(As Applicable)

6. Formal Solicitations must be advertised for a minimum of 10 (ten) days and typically not more than 30 (thirty) days. How long is the Department/Office requesting to advertise this solicitation? \_\_\_\_ Days

7. Is a pre-bid meeting required? ☐ Yes ☐ No

If yes, are you requesting it to be mandatory? ☐ Yes ☐ No

8. Project location? \_\_\_\_

9. Completion Time: Final completion of this project shall be in \_\_\_\_ calendar days once a Notice To Proceed (NTP) is given to the awarded vendor.

10. Are you requesting this formal solicitation require liquidated damages (liquidated damages are not penalties, they should represent the amount of monies the City will incur/lose if the project is not completed in require time?)

☐ Yes ☐ No

11. Please list any special licenses or certification require to bid. \_\_\_\_

12. Are there any outside entities assisting with this solicitation (i.e. Architect, Consultant, etc?)

☐ Yes ☐ No

If yes, please provide the information:

Entity \_\_\_\_ Contact Person \_\_\_\_

Phone \_\_\_\_ Email \_\_\_\_

13. Are there attachments associated with this request? ☐ Yes ☐ No

14. Would this purchase(s) result in the potential of future purchases for related products/services being restricted to a particular vendor or create a specific vendor as sole source provider for related items?

☐ Yes ☐ No

If yes, please describe the related products/services and estimated cost(s.)

\_\_\_\_

15. Would this purchase(s) result in any future maintenance costs which are not included in the initial purchase?

☐ Yes ☐ No

If yes, please attach a draft maintenance plan which includes cost estimates and funding source(s.)

\_\_\_\_

16. Is this a grant related purchase? ☐ Yes ☐ No

If yes, please provide details (timeline, expiration dates, milestones, special procurement requirements, etc.) \_\_\_\_

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
BPO \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # \_\_\_\_\_  
(As Applicable)



Will this require matching funds? ☐ Yes ☐ No

What is the grant source? \_\_\_\_\_

What is the grant (dollar) amount? \_\_\_\_\_

17. Does this solicitation for product/service work in conjunction with any other Department/Office or will it impact any other Department/Office? ☐ Yes ☐ No

If yes, please provide details on Department/Office and how. \_\_\_\_\_

Signature(s) below of other Department/Office Director(s) indicates they have reviewed and agree to this Request Form.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Department/Office

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Department/Office

18. Please provide the names of suggested evaluations committee member:  
(NOTE: Committee members should not be direct reports.)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

19. Please provide any specific vendor(s) to be included in the notification of these solicitations.

\_\_\_\_\_

To be completed by Procurement Services Division upon award recommendation

Advanced search of the vendor recommended for award on the Federal Government's Systems for Award Management at [www.sam.gov](http://www.sam.gov).

Date of Advanced Search \_\_\_\_\_

Company Name(s) Searched

Search Results

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Contact Person's Signature

\_\_\_\_\_  
Date

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
BPO \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # \_\_\_\_\_  
(As Applicable)

\_\_\_\_\_  
Supervisor's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Director's Signature

\_\_\_\_\_  
Date

APPROVAL (Procurement Service Division Use Only)			
Verified By:		Date	
Approved By:		Date	

Procurement Service Division use only

Requisition # R \_\_\_\_\_  
BPO \_\_\_\_\_  
(As Applicable)

Purchase Order # P \_\_\_\_\_  
(As Applicable)

Blanket Purchase Order # \_\_\_\_\_  
(As Applicable)



# CITY OF HOLLYWOOD, FLORIDA

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## PROCUREMENT SERVICES DIVISION

### Unauthorized Purchase Form

Requisition #\_\_\_\_\_ will not be processed nor will a PO be issued until this form is completed and returned to Procurement Services. This constitutes an "Unauthorized Purchase" and is in direct violation of the Code of Ordinance and Procurement policy and procedures. Please complete the following information, sign this form and return it to Procurement Services.

Reason for purchase of goods or services:

\_\_\_\_\_

Reason why an authorized Purchase Order was not obtained before the purchase:

\_\_\_\_\_

Steps you will take to avoid "Unauthorized Purchases" in the future:

\_\_\_\_\_

\_\_\_\_\_  
Print Name of the individual who purchased item(s)

\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Date

\_\_\_\_\_  
Signature of the individual who purchased item(s)

\_\_\_\_\_  
Print Name of Director

\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Date

\_\_\_\_\_  
Signature of Director

\_\_\_\_\_  
Print Name of City Manager

\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Date

\_\_\_\_\_  
Signature of City Manager  
(Required on Unauthorized Purchases over \$2500)



**CITY OF HOLLYWOOD, FLORIDA**  
**PROCUREMENT SERVICES DIVISION**

**Department/Office**  
**Contract Renewal Evaluation**

<b>Date:</b>	
<b>Department/Office:</b>	<b>Division/Area:</b>
<b>Contact Person:</b>	<b>Title:</b>
<b>Contact phone number:</b>	<b>Contact Email</b>
<b>Purchase Order/Blanket Purchase Order #:</b>	
<b>Contract Expiration Date:</b>	
<b>Vendor:</b>	<b>Contact Person:</b>
<b>Contact phone number:</b>	<b>Contact Email:</b>
<b>Good/Service:</b>	<b>Solicitation #:</b>

1. How would you rate the quality of goods/services?

☐ Excellent      ☐ Good      ☐ Satisfactory      ☐ Poor

2. How would you rate the courteousness vendor's personnel?

☐ Excellent      ☐ Good      ☐ Satisfactory      ☐ Poor

3. With regards to the goods or services provided, how satisfied are you with the following items?  
(Please check one per category)

	Excellent	Good	Satisfactory	Poor
Overall Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Frequency of Contact	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responsiveness to request	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Are all goods/services on the contract being performed at the agreed upon time and manner?

☐ Yes    ☐ No

If no, please explain?

---

---

5. If you contacted the vendor, were all your questions or any issues resolved to your complete satisfaction?

☐ Yes    ☐ No    ☐ Did not need to contact

If no, please explain?

---

---



**CITY OF HOLLYWOOD, FLORIDA**

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**PROCUREMENT SERVICES DIVISION**

**Department/Office  
Contract Renewal Evaluation**

6. Has the invoicing been timely, accurate and in accordance with the contract?

☐ Yes ☐ No

If no, please explain?

---

---

7. Does the Department/Office recommend renewing a contract based upon the available renewal options when the current agreement expires?

☐ Yes ☐ No

If no, please explain?

---

---

8. Please state any additional comments about your experience with this vendor and the goods/services provided:

---

---

---

---

Department/Office Director's Name: \_\_\_\_\_

Department/Office Director's Signature: \_\_\_\_\_





**CITY OF HOLLYWOOD, FLORIDA**

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**PROCUREMENT SERVICES DIVISION**

**Solicitation (RFP/RFQ/RLI) Evaluator's  
Understanding of Responsibilities & Conflict of Interest**

DATE: \_\_\_\_\_

TO: \_\_\_\_\_

SOLICITATION # \_\_\_\_\_

Thank you for participating on the evaluation committee for the City of Hollywood's solicitation # \_\_\_\_\_, solicitation title \_\_\_\_\_. To protect the integrity of this solicitation and the evaluation process, it is essential that each participant understands and abides by the following code of conduct. Adherence to these requirements helps to assure the effectiveness of the evaluation team as a whole and protects the overall interests of the City of Hollywood in the award of this solicitation.

- 
1. **Cone of Silence.** The City of Hollywood has adopted a Cone of Silence for all formal solicitations. This prohibits communication by potential vendors, vendors and vendor representatives with City of Hollywood employees, officials and any potential evaluation/selection committee participants. To ensure the integrity of the evaluation process, Evaluation Committee members are not permitted to have any form of communication with any potential vendors, vendors and vendor representatives regarding the solicitation. Any inquire should be directed to the Procurement Services Division.
  2. **Sunshine Law.** The State of Florida has established a Sunshine Law which establishes a basic right of access to most meetings of boards, commissions and committees of state and local governmental agencies or authorities and it also prohibits communication between individuals comprising these boards, commissions and committees outside a publicly accessible meeting. Evaluation Committee members should not discuss with each other the formal solicitations or proposals outside the evaluation or other publicly advertised meetings.
  3. **Fairness and Integrity.** It is the responsibility of every member on the evaluation committee to collectively ensure that the evaluation is conducted in an impartial, objective and professional manner, and that the same level of effort and consideration is extended to the evaluation of all of the proposals received.
  4. **Attendance.** Attendance of all committee members at all scheduled meetings is crucial to the quality of the evaluation process. Without all representatives present, meetings are not effective, opinions can only be shared in a scheduled meeting. Therefore, committee members must make every effort to attend all scheduled committee meetings, including interviews with the proposers if

conducted, as well as any off-site visits, if scheduled. Committee members must not discuss the evaluation with one another outside of officially scheduled committee meetings and must avoid unsanctioned, mini-meetings.

5. **Confidentiality.** To preserve the integrity of the evaluation process, the following rules of confidentiality must be observed:

- a. Committee members must not communicate with others outside of the evaluation committee on the nature or content of the written proposals, product demonstrations, interviews, the evaluation proceedings, the deliberations of the evaluation panel, or individual opinions about the proposers or the project. The names of the proposers/firms who have submitted proposals must also not be divulged. If necessary, a committee member may communicate his or her schedule or discuss his or her general responsibilities with his or her supervisor, department head, or other superiors. However, he or she must not share the proposals with them, discuss the proposal contents, or divulge any details of the evaluation process.
- b. More importantly, committee members must not communicate with proposers about this project outside of any scheduled and sanctioned evaluation activity. If any member of this evaluation committee has contact with one or more proposers participating in this solicitation, even if the matter is not directly or indirectly related to this project, he or she must immediately divulge the nature and reason of the contact with the firm to the Procurement Service Division, which will determine if that activity poses a conflict with the person's participation on this evaluation committee or a violation of the Cone of Silence.

6. **Conflicts of Interest.** An individual may not participate as a member of this committee if he or she, or a family member, has a personal interest in any company that may submit a proposal. A family member is defined as, but not limited to, a spouse, child, grandchild, brother, sister, half-brother or half-sister, brother- and sister-in-law, child of a spouse, and child of a brother, sister, half-brother, or half-sister. An individual must agree that if he or she currently has, or later discovers, a conflict of interest which meets these criteria, he or she will declare the circumstances immediately to the Procurement Services Director and remove himself or herself from the committee.

I have read this document and understand my obligations as explained herein. I further understand that I must advise Procurement Service Division if a conflict currently exists or arises during my term of service as an Evaluation Committee member. I further understand that I must sign and deliver this statement to the Procurement Service Division prior to participating in the evaluation process.

Solicitation # \_\_\_\_\_

Date \_\_\_\_\_

Name \_\_\_\_\_

Signature \_\_\_\_\_



# Procurement Services Division

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## GEMS - Reference Guide for Entering Requisitions

### *Key Terms/Definitions*

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**Blanket Purchase Order:** a contract utilizing pre-established pricing, terms, and conditions for a specific time period

**Commodity Code:** a designated number identifying the goods or services

**Confirming Requisition:** Purchase Order issued after receiving goods or services, to entered **ONLY** for goods and services which are currently under contract/BPO – please contact Procurement Services for emergencies purchases

**Non-Confirming Requisition:** a requisition to order goods or services

**Vendor Number:** a number assigned in GEMS to identify a specific vendor

**Purchase Order:** a written contract to a vendor formalizing all the terms and conditions of a proposed transaction including requested item(s), delivery schedule, terms of payment, etc.

**Receiving:** (for Payment in GEMS): authorization for payment in GEMS (RECPT Screen)

**State Contract:** a contract established by the State of Florida for goods or services which can be utilized by governmental agencies within the state

**Ship To Address:** the address where goods are to be shipped or services are to be performed

### *Requisition Process*

---

#### *Preparation & Gather Information (details, details, details)*

- ✓ Description Information
- ✓ Budget Account Number
- ✓ Vendor Number
- ✓ Commodity Code
- ✓ BPO # and Reference # (if applicable)
- ✓ Invoice #/Date (if applicable)
- ✓ Quotes (if applicable)

# Procurement Services Division

## Workflow for Entering/Approving Requisitions and Purchase Orders

**Steps 1- 4 are the procedural responsibility of the requesting Department/Office**

### STEP 1

### Screen or Report Used

Creating the Requisition

Requisition Header Screen (REQHD)

1. Enter Operator Information
2. Enter Area Number
3. Check Confirm (if applicable)
4. Click Add

The screenshot shows the GEMS - Government e-Management Solutions interface. The top navigation bar includes 'Home', 'FMS', 'FMS Test', 'FMS Reporting', and 'System Admin'. The left sidebar lists various modules under 'Finance Workflow'. The main content area is titled 'Requisition Approval' and contains a form for entering requisition details. Annotations with arrows point to specific fields and buttons:

- Enter Operator Code:** Points to the 'Operator' field.
- Select Area:** Points to the 'Area' dropdown menu.
- Press "OK":** Points to the 'Add' button in the bottom right corner of the form.

The form fields include:

- Organization # 1
- Req # R217777
- Operator [Field]
- Area 5101 Fleet Maintenance
- Reserved PO # [Field]
- Remarks N
- Confirm [Field]
- Cancel [Field]
- Emergency [Field]
- Encumbered Date 10/31/13
- Requisition Date 10/31/13
- Solicited Vendors [Field]
- Order Total [Field]
- Grid Screen Option [Field]
- Expiration Date [Field] (MM/DD/YY)
- Ready for Approval [Field]
- Authorization Status UNAPPROVED
- Routing Level 0
- Next Routing Area 5101
- Number of Lines 1
- Sub Total 129,364.00+
- GST 0+
- PST 0+
- Total 129,364.00+
- Total Encumbrance 129,364.00+
- Blanket PO [Field]
- Maximum Amount [Field]
- Starting Date [Field]
- Ending Date [Field]
- Contract # [Field]
- Contract Name [Field]

Buttons at the bottom of the form include: Add, Chg, Del, Inq, First, Back, Next, Last, OK.

# Procurement Services Division

## STEP 2

## Screen or Report Used

Enter the Requisition detail lines

Requisition Detail Screen (REQMN)

1. Enter "A" (Add Information)
2. Enter "N" or "M" (Type) (*Non-Stock or Miscellaneous*)
3. Enter Quantity Needed
4. Enter Unit Price
5. Enter Unit of Measure (UOM)
6. Enter Short Description
7. Change "S" to "L" if Long Description Needed
8. Enter Account Number
9. Enter Vendor Number
10. Enter Commodity Code
11. Enter BPO # & Ref. # (if applicable)
12. Enter Ship To Number
13. Click OK

The screenshot shows the GemStone - Windows Internet Explorer interface for the Requisition Detail Screen (REQMN). The interface includes a top navigation bar with tabs for Home, FMS, FMS Test, FMS Reporting, and System Admin. A left sidebar lists various finance workflow options. The main content area displays the Requisition Detail form with various fields and tabs. Numbered callouts 1 through 13 point to specific fields and actions:

- 1: Points to the 'Add Information' button (A).
- 2: Points to the 'Type' dropdown (N for Non-Stock, M for Miscellaneous).
- 3: Points to the 'Quantity' field.
- 4: Points to the 'Unit Price' field.
- 5: Points to the 'Unit of Measure (UOM)' dropdown.
- 6: Points to the 'Short Description' field.
- 7: Points to the 'Long Description' field (S for Short, L for Long).
- 8: Points to the 'Account Number' field.
- 9: Points to the 'Vendor Number' field.
- 10: Points to the 'Commodity Code' field.
- 11: Points to the 'BPO # & Ref. #' field.
- 12: Points to the 'Ship To Number' field.
- 13: Points to the 'OK' button.

The form displays the following data:

Req #	Header	Status	UNAPPROVED
R217777			

ACCD	Type	Quantity	Unit Price	Dist Cd	PL	Account #	UOM	Stock #	Whse App	Auth
Non-stock		4.0000	32,341.00000	4	EA	EACH				
2014 CHEVROLET TAHOE										
OPTION CODE: C10706FFV										
Item Desc S/U										
Deliver To										

Defaults:

Vendor #	Commodity	BPO Ref #	Ship Date	Ship Via
34087	070 / 06		11/07/13	BEST
STINGRAY CHEVROLET, LLC				
Automobiles and Station Wagons				
Enc [Y]				

Ship to: 0073 FLEET MANAGEMENT MAI  
Buyer: RD RALPH PERKINS  
Tax Code: N30 0030  
Contract #  
Grant #

Consolidate Asset Recs  
Project  
Work Code

Trans # 293900005823  
PO #  
Detail Lines 1  
Detail Total 129,364.00+  
Requester 129,364.00+  
Bid Bid #

OK

# Procurement Services Division

## STEP 3

## Screen or Report Used

Review and approve the Requisition

Requisition Approval Screen (PURAP)

1. Supervisor/Appropriate Personnel approve the Requisition
2. Supervisor/Appropriate Personnel runs APPREQ Report in "Edit" mode
3. Review information on APPREQ Report to check for errors, omissions, etc

The screenshot shows the GEMS - Government e-Management Solutions interface. The top navigation bar includes Home, FMS, FMS Test, FMS Reporting, and System Admin. The left sidebar lists various Finance Workflow modules. The main content area displays the Requisition Approval Screen (PURAP) for Area 5101 Fleet Maintenance. A table lists requisitions with columns for Select, Action, Req #, Ordered By, Vendor #, Address #, Vendor Name, Req Date, Enc Date, and Req Stat. Annotations provide instructions on how to use the screen:

- ENTER AREA HERE AND PRESS "OK". FOR REQUISITION WAITING APPROVAL**: Points to the Area dropdown menu.
- ENTER "A" IN THE REQUISITIONS YOU ARE APPROVING AND PRESS "OK"**: Points to the Action column in the requisition table.
- IF YOU RECEIVE AN ERROR "OVERBUDGET", "NO ACCESS", "NOT AUTHORIZED", ETC. ANY ERRORS MUST BE RESOLVE PRIOR TO YOUR APPROVING THE REQUISITION**: A general instruction box.
- ENTER AUTHORIZATION CODE**: Points to the Authorization Code field.
- "2" SHOULD APPEAR IN THE REQ STATUS FIELD PRIOR TO PROCEEDING WITH RUNNING THE APPREQ REPORT. RUN REPORT PRIOR TO 5 PM TO APPEAR AS AN UNAPPROVED P.O. THE FOLLOWING DAY**: Points to the Req Stat column in the requisition table.

The bottom status bar shows the time 10:09:34:24, a successful entry 000057, and a value of 0.00. The system is running on a local intranet in Protected Mode.

# Procurement Services Division

## STEP 4

## Screen or Report Used

Run Approved Requisition  
Report

Purchase APPREQ Screen  
(PURAP)

1. Run APPREQ Report in "Update" mode.
2. Requisition converts overnight into an unapproved Purchase Order.

10:09:34:24 SUCCESSFUL ENTRY 000057 0.00

Area: 5101 Fleet Maintenance

Next Req#

Approved By

Approve/Disapprove

Entire Screen

Select	Action	Req #	Ordered By	Vendor #	Address #	Vendor Name	Req Date	Enc Date	Req Stat
1		R217777	SYDNEY	34087	0	STINGRAY CHEVROLET, LLC	10/31/13	10/31/13	0
2		R217872	SYDNEY	18226	0	BOYD ACCESSORY & DESIGN	11/05/13	11/05/13	0
3		R217979	SYDNEY	25262	0	STROBES-R-US, INC	11/08/13	11/08/13	0
4		R217983	SYDNEY		0		11/08/13	11/08/13	0
5					0				0
6					0				0
7					0				0
8					0				0
9					0				0
10					0				0
11					0				0
12					0				0
13					0				0
14					0				0

OK

10:09:34:24 SUCCESSFUL ENTRY 000057 0.00

Local intranet | Protected Mode: Off

10:12 AM

# Procurement Services Division

---

## **STEP 6**

## **Screen or Report Used**

Approve or disapprove  
the Purchase Order

Purchase Order Approvals Screen

## **STEP 7**

## **Screen or Report Used**

Print a copy of the  
Purchase Order

Purchase Order Printing Report  
(WRITEPOS)

## **STEP 8**

## **Screen or Report Used**

Encumber funds

Purchase Order Encumbrance  
Report (PURCHUPD)

*Steps 9 - 10 are the procedural responsibility of the requesting Department/Office*

## **STEP 9**

## **Screen or Report Used**

Receive items from  
the vendor

Receiving Screen

## **STEP 10**

## **Screen or Report Used**

Update general ledger  
for stock receipts (when applicable)

Stock Receipts Report  
(PORECEIVED)



# **The City of Hollywood**

## **Procurement Card User Guide**

Updated 10/13

## **IMPORTANT PHONE NUMBERS**

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Procurement related questions: (954) 921-3221 (Maryury) or  
954-921-3552 (Ian)

Accounting related questions: (954) 921-3228 (Ron Hopkins)

Bank of America: 1-800-300-9776

Bank of America for Lost or Stolen Cards: 1- 888 449-2273



## RESPONSIBILITIES

---

The following are the responsibilities of the individuals and organizations involved in the Procurement Card system.

⇒ **CARDHOLDER**

- Secures their assigned procurement card
- Purchases selected goods (the procurement card system includes codes which allow or deny purchases of goods, depending on the item, merchant, etc. Only goods deemed appropriate to be purchased with City funds are generally allowed to be purchased using the card)
- Receives and inspects all purchased goods
- Collects and saves receipts
- Reviews monthly statements and receipts with his/her card representative
- Identifies any errors and/or disputed charges

⇒ **DEPARTMENT/DIVISION PROCUREMENT CARD REPRESENTATIVE**

(Individual(s) designated by Department/ Division Director)

- Reviews monthly statement and receipts with cardholder
- Signs the monthly statement indicating that the charges have been reviewed and submits them to the Department/Division Director
- Reallocates and signs off on charges in the Works System
- Assists the cardholder in handling errors and disputed items
- Forwards statement(s) with completed transmittal form to Accounts Payable with all supporting receipts attached

⇒ **DEPARTMENT/DIVISION DIRECTOR**

- Requests procurement card(s) for designated employee(s)
- Sets card spending limits (within established guidelines)
- Appoints the Department/Division procurement card representative
- Signs the monthly statement(s) authorizing the charges
- Collects cards from cardholders who end employment and evaluates the need to cancel or reissue cards when employees transfer
- Notifies the procurement card administrator of canceled cards
- Monitors available budget funds

⇒ **PROCUREMENT SERVICES**

- Coordinates issuance and cancellation of cards
- Coordinates program policy issues with the Director of Procurement
- Assists in resolving billing disputes
- Maintains policy and cardholder guides/manuals
- Reviews all monthly statements
- Pursues supplier discount opportunities
- Evaluates procurement card feedback from suppliers
- Coordinates and maintains internal controls
- Targets new cardholders and expands use of the card

⇒ **FINANCIAL SERVICES**

- Receives completed, signed and approved monthly statements with receipts from Department/Division Representative
- Confirms that all charges are authorized by the Department/Division Director/Supervisor
- Notifies Department/Division Director/Supervisor if all information is not received
- Pays monthly charges from consolidated statement
- Files and stores summary statements and receipts

## **PROCESS**

---

A simplified step-by-step example of the procurement card process:

1. The cardholder purchases select good(s).
2. The cardholder keeps the receipt and logs the purchase(s) on the activity log.
3. The cardholder completes the activity log and submits it along with all receipts to the card rep.
4. The card rep reviews the activity log and receipts and reviews and reallocates the purchases in the procurement card system.
5. The Department/Division Director reviews the completed activity log and statement and, if approved, signs it.
6. The card rep makes copies of the activity log(s) and all receipts and keeps a file, and sends the original log(s) and receipts to Finance.
7. Finance reviews all activity logs and receipts for completeness and appropriateness and alerts the cardholder's rep and/or Director if any errors are found.

## **POLICIES AND PROCEDURES**

---

### **⇒ REQUESTS FOR AND ISSUANCE OF PROCUREMENT CARDS**

- Requests for new cardholders or for changes to current cardholders are made by submitting a completed request form to the Procurement Services Division.
- All requests for procurement cards must be signed by the Department/Division Director.
- The procurement card will have the employee's name, The City of Hollywood, and the expiration date embossed on the face of the card. The City of Hollywood's sales tax exemption number is preprinted on the card face.

- When the procurement card administrator receives a new procurement card from the card company, the cardholder will be required to attend a short training session before receiving the card. At this session the cardholder will also be required to sign the request form acknowledging receipt of the card. Each card must be activated by the cardholder, according to instructions provided with the card, prior to use.

#### ⇒ **SPENDING LIMITS**

- The Department/Division Director approving the assignment of a procurement card will set two limits for each cardholder: a single purchase limit and monthly purchase limit. Additional limitations may be imposed by the requesting Department/Division Director.
- Requests for spending limit changes shall be initiated by a memo to the procurement card administrator by the Department/Division Director.

#### ⇒ **CARDHOLDER USE OF PROCUREMENT CARD**

- The procurement card may be used **only by the employee whose name is on the card**. No other person is authorized to use the card. The cardholder is responsible and accountable for all transactions that occur on his/her card.
- When making a purchase, whether in person or over the telephone, the cardholder will need to inform the merchant that the purchase is tax exempt. Do not assume the merchant will automatically know this, regardless of the fact that the tax ID number is clearly printed on the card. (If the cardholder fails to notify the vendor of this and any sales tax is charged on the purchase, the cardholder will be required to return to the location where the purchase was made to receive a credit on the card for the tax charged.)

- **The procurement card is to be used for The City of Hollywood authorized purchases only.** The procurement card cannot be used for any personal purchases. Any such use will require immediate reimbursement by the employee and may result in disciplinary action which may include dismissal (depending on the circumstances involved in the purchase) in accordance with established City of Hollywood policy (reference handbook Employment Rules and Regulations, page 9.)

⇒ **LOST OR STOLEN PROCUREMENT CARDS**

- If a procurement card is lost, stolen, or misplaced, or if the card rep finds unauthorized purchases have been made on the card, the cardholder must **immediately** notify Bank of America at (888) 449-2273 and the procurement card administrator.
- The cardholder will be responsible for reporting all information necessary to reduce the liability to The City of Hollywood.
- Once Bank of America has been notified, the cardholder's current card will be cancelled and a replacement card will be issued and sent to Procurement Services.

⇒ **TERMINATION OR TRANSFER OF CARDHOLDER**

- When an employee ends his or her employment, the Department/ Division Director shall collect the procurement card and submit the card to the procurement card administrator.
- If the cardholder is transferred to another Department and wishes to transfer his/her card to their new Department, a transfer form will be provided with approval from the new Department's Director
- If the Department/Division Director is unable to collect the card when an employee terminates, he/she shall immediately notify the procurement card administrator by telephone followed by a memo. The card administrator will insure that the card is canceled.

⇒ **OTHER CONDITIONS**

- All items purchased, whether in person or by telephone, must be immediately available. **No back-ordering allowed.**
- All items purchased must be delivered by the vendor within the 30-day billing cycle.
- Orders must not be split into more than one (1) invoice.

⇒ **PROHIBITED USES OF PROCUREMENT CARDS**

- The following types of items shall generally **not** be purchased with a procurement card:
  - Gasoline, fuel, or oil
  - Vehicle repairs
  - Travel expenses, such as hotels
  - Food (i.e. restaurants, catering, etc.)
  - Cash advances
  - Telephone charges
  - Purchase of Fixed Assets, per unit cost exceeding \$1,000.00
  - Services of any nature are restricted
- Additional items may be specifically restricted by the Department/Division Director. Please note that exceptions may be made depending upon the circumstances.

⇒ **DOCUMENTATION OF PURCHASES**

- When an over-the-counter purchase is made, the cardholder must obtain the customer's copy of the receipt.
- When placing a telephone order, the cardholder must confirm that the vendor will charge the procurement card when shipment is made so that receipts of the supplies may be certified on the monthly statement.

- The City of Hollywood is exempt from paying any State of Florida (and generally all other state's) sales and or use tax. If the vendor charges sales tax, the cardholder must contact the vendor and obtain a credit equal to the amount of sales tax. The City of Hollywood sales tax exemption number is printed on the face of the procurement card. If you have a problem with any merchant regarding sales or any other tax, please contact Procurement Services.
- If for any reason the cardholder does not have documentation of the transaction to send with the statement to his/her card rep, he/she must attach the Receipt of Missing Documentation Form, completed and signed by both the supervisor and the cardholder detailing the purchase. Chronic incidents of missing documentation may result in the cancellation of the employee's procurement card.

#### ⇒ **DISPUTES**

- If items purchased with the procurement card are defective, or if the incorrect item was shipped, the cardholder must return the item(s) to the vendor for replacement or credit. If the item(s) paid for with a procurement card is faulty, the vendor must be notified and asked to correct the situation or provide a credit. If the vendor refuses to replace or correct the faulty item, the purchase will be considered in dispute. If the quantity of items received is less than the invoice and the charge billing, the transaction must be disputed.
- If a vendor fails to deliver an item purchased but the cardholder's card has been charged for the item(s), and this cannot be resolved with the vendor, the dispute procedure must be followed.
- A disputed item must be explained by utilizing the Disputed Item Form and on all documentation before it is forwarded to Accounts Payable for payment.
-

- **DISPUTE PROCEDURES:**

- The cardholder completes the Bank of America Dispute Form and reviews the dispute with their card rep. The card rep faxes the Dispute Form to Bank of America (1-888-678-6046). This form should explain in as much detail as possible the reason(s) for the dispute as well as a copy of the statement if the item has posted. Bank of America will then place the transaction into a disputed status. It is the using department's ultimate responsibility to file and track the dispute to final settlement. Upon final settlement, a copy of all supporting documentation must be forwarded to the procurement card administrator and Finance.
- Should the problem be resolved between the merchant and the cardholder after a dispute form has already been submitted to Bank of America, the cardholder should write the solution agreed upon on the bottom of the dispute form that was previously faxed and fax it to Bank of America as soon as possible.
- After the item has been entered as a dispute, Bank of America must determine who is responsible by researching the transaction.
- When an account is in a dispute, the disputed amount is still included in calculating the available money for authorizations (monthly limits). At the time the item is placed in dispute, it is removed from all finance charges, late charges, over limit fees, past due amounts and calculations. Finance charges which accrue from posting until the item is placed in dispute must be handled according to The City of Hollywood policy. Any cardholder statements generated while the account is in dispute will display the following message: YOUR ACCOUNT IS IN DISPUTE FOR \$XXX.XX. THIS AMOUNT HAS NOT BEEN INCLUDED IN THE FINANCE CHARGE OR PAYMENT CALCULATIONS.



- If the cardholder is found to be responsible for the transaction, the Department must notify Finance. If the cardholder is found to not be responsible for the transaction, the chargeback process may be initiated against the merchant.
- If there are continuous problems with a particular merchant, the cardholder should notify the Director of Procurement Services of the problem.

⇒ **REVIEW OF PURCHASES BY CARD REPRESENTATIVES**

- Department/Division Representatives are required to review each procurement card expenditure to ensure the good(s) were necessary and for official use. The purchase of non-consumable equipment with a determinable economic life should be recorded by the Department/Division Representative and reported to Finance.
  - Definition of Fixed Asset Items: Fixed Assets and Recoverable Items are equipment and machinery of a non-consumable nature generally with a normal life expectancy greater than one year. These may be purchased with a procurement card with the following restrictions:
    - Cost does not exceed \$1,000.00 per unit. Items costing more than this amount must be purchased via the purchase order process.
    - Computers/Laptops and related hardware and software **must** be purchased by Department of Information Technology; purchase by anyone outside of this Office is strictly prohibited.

- When purchases are questioned, the Department/Division Director or the designated card representative will be responsible for resolving the issue with the cardholder. If the Department/Division Director is not satisfied that the purchase was necessary and for official use, the cardholder must provide either a credit voucher proving the items(s) were returned for credit or, in the case of a purchase made accidentally for personal use, a personal check made payable to the City of Hollywood for the full amount of the purchase plus applicable sales tax. Checks must be sent to Procurement Services within one week with a written explanation of why the violation occurred and the action taken to prevent reoccurrence.
- The personal check will be forwarded to the Treasury Division, with a copy also sent to General Accounting.
- Serious or repeated misuse of the procurement card will result in the revocation of the card. Employees improperly using their procurement card will be disciplined by the Department/Division Director as necessary, in accordance with the established City of Hollywood policy.
- To assist Department/Division Directors in their reviews, management reports will be available from Procurement.
- General Accounting performs monthly reviews of the receipts and details of each cardholder statement, and provides a letter to document any suspected violation(s) of procurement card policies and procedure.

**CITY OF HOLLYWOOD, FLORIDA  
RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**INTRODUCTION**

This manual was developed to establish the minimum Risk Management requirements for those individuals or firms that perform work for or on behalf of the City, use City property in conjunction with their activities, or receive funding or grants from the City.

To facilitate its use and to address the various exposures to loss faced by the City, the Manual has been sectionalized and specific insurance requirements developed based on the following classifications:

**Construction Contractors and Subcontractors** - Organizations performing construction activities for or on behalf of the City, on or off City Property.

**Service Contractors and Subcontractors (including Trade Contractors)** - Organizations that are providing goods or services (to include service or maintenance contracts) to the City or its residents for remuneration.

Certain sections of the manual will apply to all groups, while others will only apply to a specific group.

**CITY OF HOLLYWOOD, FLORIDA  
RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**OBJECTIVE and GENERAL PROCEDURES**

In recent years, society has seen an increase in the number of law suits filed in the court systems. Frequently when a suit is filed, anyone having a connection with the activity which gave rise to the claim are named as defendants, regardless of their contribution to the loss. Simple ownership of the property where the accident took place could expose the City to a lengthy and costly legal battle, even though it was not negligent in conducting its affairs.

To reduce the number and cost of such claims, the City attempts to hold the party responsible for the claim accountable for their actions. This is accomplished in two (2) ways.

First, the City requires that all parties doing work for, or on their behalf, or utilizing City property provide an **Indemnification and Hold Harmless** agreement in favor of the City. Such an agreement obligates them to protect and pay for any costs which the City might incur arising out of their activities, including providing a defense attorney to the City. Various forms of Indemnification and Hold Harmless agreements may be used, depending on the nature of the activity involved. The individual sections of this manual will specify which agreement is appropriate. All agreements are contained in the section titled Indemnification and Hold Harmless.

Second, to ensure that sufficient resources are available to satisfy the obligation assumed under the Indemnification and Hold Harmless agreement, the City requires most parties to maintain minimum insurance protection. The amount of protection will vary on the type and cost of work to be performed, and the risks involved.

There will be times when it will be necessary, or in the best interest of the City, to deviate from the standard insurance requirements specified within this Manual.

Recognizing this potential authorization has been granted to the City's Risk Management Department to waive and modify various insurance provisions. These will be discussed in further detail in the section of this Manual entitled **Waiver of Insurance Requirements**.

## **Standard Insurance Requirements**

As a general rule, all parties will be required to carry, as a minimum:

- Workers' Compensation and Employers' Liability Insurance
- General Liability Insurance  
and
- Vehicle Liability Insurance

The required limits will be contingent upon the nature and extent of the project or activity.

A general overview of these coverages and other issues that may assist the user of this manual is provided in the section entitled **Glossary**.

## **Certificates of Insurance**

Verification that the party has obtained the necessary insurance, is usually accomplished by the furnishing of a **Certificate of Insurance**. A Certificate of Insurance summarizes the coverages that are being carried by the insured. It also specifies special provisions, such as Additional Insured. An industry standard form has been developed which is used by numerous insurance companies and agents.

Upon receipt of a Certificate of Insurance, it shall be reviewed to ensure that it includes all required coverages, that the insurance company is acceptable, that it specifically names the City of Hollywood as an Additional Insured, if required, and that the policy(ies) have not expired. The Certificate shall be filed with the contract documents and reviewed thirty days prior to the expiration date. At that time an updated certificate is required.

## **General Procedures**

The insurance requirements shall be established in conjunction with the development of the project. The "**Schedule of Insurance Requirements**" contained within various sections of this Manual will be used as a basis for the establishment of the coverages that must be provided and must be included in all RFP's. Unless insurance is waived by Risk Management, the "**Insurance Checklist**" will be completed by the employee responsible for the project by marking the required coverages with an "**X**". The form contains instructions for the proposer's insurance agent to review and sign signifying that coverage is in place or will be obtained if awarded the project or contract.

Requests for a waiver or modification to the insurance requirements must be made in writing, and approved by Risk Management, utilizing the "**Request for Waiver of Insurance Requirements**" form. The reason why the waiver or modification is being requested, the extent of coverage that can be provided, and any other pertinent information, such as sole supplier, etc. must be included on the request.

**CITY OF HOLLYWOOD, FLORIDA**

**INSURANCE CHECKLIST**

**FOR**

**VENDORS SUBMITTING PROPOSALS**

**FOR WORK**

To assist in the development of your proposal, the insurance coverages marked with an "X" will be required in the event an award is made to your firm. Please review this form with your insurance agent and have him/her sign it in the place provided. It is also required that the bidder sign the form and submit it with each proposal.

**WORKERS' COMPENSATION**

**AND**

**EMPLOYERS' LIABILITY**

	<u>  X  </u>	Workers' Compensation	Statutory Limits
WC1	<u>          </u>	Employers Liability	\$100,000/\$500,000/\$100,000
WC2	<u>          </u>	Employers Liability	\$500,000/\$500,000/\$500,000
WC3	<u>          </u>	Employers Liability	\$1,000,000/\$1,000,000/\$1,000,000
WCUSLH	<u>          </u>	US Longshoremen & Harbor Workers Act	Same as Employers' Liability
WCJA	<u>          </u>	Federal Jones Act	Same as Employers' Liability

**INSCKLST**

## GENERAL LIABILITY

As a minimum, the required general liability coverages will include:

- Premises Operations
- Products and Completed Operations
- Blanket Contractual
- Personal Injury
- Expanded Definition of Property Damage

Required Limits:

GL1	_____	\$100,000 per Person; \$300,000 per Occurrence \$50,000 Property Damage or \$300,000 Combined Single Limit
GL2	_____	\$250,000 per Person; \$500,000 per Occurrence \$50,000 Property Damage or \$500,000 Combined Single Limit
GL3	_____	\$500,000 per Person; \$1,000,000 per Occurrence \$100,000 Property Damage or \$1,000,000 Combined Single Limit

Required Endorsement:

GLXCU	_____	Underground, Explosion and Collapse (XCU)
GLLIQ	_____	Liquor Liability

All endorsements are required to have the same limits as the basic policy.

**INSCKLST**

## VEHICLE LIABILITY

As a minimum, coverage should extend to liability for:

- Owned; Non-owned; and Hired Vehicles

Required Limits:

VL1	_____	\$50,000 per Person; \$100,000 per Occurrence \$25,000 Property Damage or \$100,000 Combined Single Limit
VL2	_____	\$100,000 per Person; \$300,000 per Occurrence \$50,000 Property Damage or \$300,000 Combined Single Limit
VL3	_____	\$500,000 per Person; \$1,000,000 per Occurrence \$100,000 Property Damage or \$1,000,000 Combined Single Limit

## MISCELLANEOUS COVERAGES

BR1	_____	Builders' Risk	Limits equal to the completed project.
MVC	_____	Motor Truck Cargo	Limits equal to the maximum value of any one shipment.
PRO1	_____	Professional Liability	\$ 250,000 per Occurrence/\$ 500,000 Agg.
PRO2	_____		\$ 500,000 per Occurrence/\$1,000,000 Agg.
PRO3	_____		\$1,000,000 per Occurrence/\$2,000,000 Agg.
POL1	_____	Pollution Liability	\$ 500,000 per Occurrence/\$1,000,000 Agg.
POL2	_____		\$1,000,000 per Occurrence/\$2,000,000 Agg.
POL3	_____		\$5,000,000 per Occurrence/\$10,000,000 Agg.
ED1	_____	Employee	\$ 10,000
ED2	_____	Dishonesty	\$100,000
GK1	_____	Garage Keepers	\$ 300,000 (\$ 25,000 per Veh)
GK2	_____		\$ 500,000 (\$100,000 per Veh)
GK3	_____		\$1,000,000 (\$250,000 per Veh)

**INSCKLST**



MED1	_____	Medical	\$ 500,000/\$ 1,000,000 Agg.
MED2	_____	Professional	\$1,000,000/\$ 3,000,000 Agg.
MED3	_____		\$5,000,000/\$10,000,000 Agg.
IF	_____	Installation Floater	Maximum value of Equipment Installed
VLP1	_____	Hazardous	\$ 300,000 (Requires MCS-90)
VLP2	_____	Cargo	\$ 500,000 (Requires MCS-90)
VLP3	_____	Transporter	\$1,000,000 (Requires MCS-90)
BLL	_____	Bailee Liab.	Maximum Value of Property
AEO1	_____	Architects Errors	\$ 250,000 per Occurrence/\$ 500,000 Agg.
AEO2	_____	& Omissions	\$ 500,000 per Occurrence/\$1,000,000 Agg.
AEO3	_____		\$ 1,000,000 per Occurrence/\$3,000,000 Agg.

**INSCKLST**

INSURANCE AGENT'S STATEMENT

I have reviewed the above requirements with the bidder named below. The following deductibles apply to the corresponding policy.

POLICY	DEDUCTIBLES
_____	_____
_____	_____
_____	_____

Liability policies are \_\_\_\_ Occurrence \_\_\_\_ Claims Made

_____ Insurance Agency	_____ Signature
---------------------------	--------------------

BIDDERS STATEMENT

I understand the insurance that will be mandatory if awarded the contract and will comply in full with all the requirements.

_____ Bidder	_____ Signature
-----------------	--------------------

INSCKLST

**CITY OF HOLLYWOOD, FLORIDA  
RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**Introduction  
to  
Construction Contractors and Subcontractors  
Section**

This section of the Manual will apply to construction type projects and activities utilizing Contractors and Subcontractors. The types and amounts of insurance will be determined based on the type of project and the projected cost of the contract. The fact that the funds used to pay for the project were obtained from Federal, State, or other grants is not material.

A special matrix of construction activities has been developed and incorporated within this section to assist in the establishment of the proper insurance coverages and limits.

As a general rule, all contracts will include:

- Indemnification and Hold Harmless Provisions
- General Insurance Requirements
- Workers' Compensation Provisions
- General Liability Provisions
- and
- Vehicle Liability Provisions

All questions should be directed to Risk Management.

**CITY OF HOLLYWOOD, FLORIDA  
RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**General Insurance Requirements  
for  
Construction Contractors and Subcontractors**

Prior to the commencement of work governed by this contract (including the pre-staging of personnel and material), the Contractor shall obtain, at his/her own expense, insurance as specified in the attached schedules, which are made part of this contract. The Contractor will ensure that the insurance obtained will extend protection to all Sub-Contractors engaged by the Contractor. As an alternative the Contractor may require all Subcontractors to obtain insurance consistent with the attached schedules.

The Contractor will not be permitted to commence work governed by this contract (including pre-staging of personnel and material) until satisfactory evidence of the required insurance has been furnished to the City as specified below. Delays in the commencement of work, resulting from the failure of the Contractor to provide satisfactory evidence of the required insurance, shall not extend deadlines specified in this contract and any penalties and failure to perform assessments shall be imposed as if the work commenced on the specified date and time, except for the Contractor's failure to provide satisfactory evidence.

The Contractor shall maintain the required insurance throughout the entire term of this contract and any extensions specified in any attached schedules. Failure to comply with this provision may result in the immediate suspension of all work until the required insurance has been reinstated or replaced. Delays in the completion of work resulting from the failure of the Contractor to maintain the required insurance shall not extend deadlines specified in this contract and any penalties and failure to perform assessments shall be imposed as if the work had not been suspended, except for the Contractor's failure to maintain the required insurance.

The Contractor shall provide, to the City, as satisfactory evidence of the required insurance, either:

- Certificate of Insurance
- or
- A Certified copy of the actual insurance policy.

The City, at its sole option, has the right to request a certified copy of any or all insurance policies required by this contract.

All insurance policies must specify that they are not subject to cancellation, non-renewal, material change, or reduction in coverage unless a minimum of thirty (30) days prior notification is given to the City by the insurer.

**GIR-CONSTRUCTION**

The acceptance and/or approval of the Contractor's insurance shall not be construed as relieving the Contractor from any liability or obligation assumed under this contract or imposed by law.

The City of Hollywood, Florida, its employees and officials will be included as "Additional Insured" on all policies, except for Workers' Compensation.

In addition, the City will be named as an Additional Insured and Loss Payee on all policies covering City-owned property.

Any deviations from these General Insurance Requirements must be requested in writing on the City prepared form entitled "**Request for Waiver of Insurance Requirements**" and approved by the City's Risk Management Department.

**GIR-CONSTRUCTION**

**CITY OF HOLLYWOOD, FLORIDA  
SCHEDULE OF INSURANCE REQUIREMENTS  
FOR  
CONSTRUCTION CONTRACTORS AND SUBCONTRACTORS**

All construction contracts will include the following forms:

<b>CONINDEM</b>	Indemnification and Hold Harmless for Construction Contracts and Subcontractors
<b>GIR-CONSTRUCTION</b>	General Insurance Requirements for Construction Contractors and Subcontractors

In addition, all construction contracts will include the specific insurance forms reflected in the following matrix.

CONTRACT TYPE	DESCRIPTION OF WORK	Under \$10,000	\$10,001 to \$50,000	\$50,001 to \$100,000	\$100,001 TO \$500,000	\$500,001 TO \$1 Million	Over \$1 Million
ARCHITECTS AND ENGINEERS	PROFESSIONAL SERVICES IN THE DESIGN OF BUILDINGS, SEWERS, WATER MAINS, STREETS, ETC. INCLUDED IN THIS CATEGORY IS THE DESIGN OF COLLECTION SYSTEMS, TREATMENT PLANTS AND WATER DISTRIBUTION FACILITIES	WC1 GL1 VL1 AEO1	WC1 GL1 VL1 AEO1	WC1 GL1 VL1 AEO1	WC2 GL2 VL1 AEO2	WC3 GL3 VL1 AEO3	Refer to Risk Management
BRIDGE CONSTRUCTION	PROVIDE BRIDGE CONSTRUCTION OR REPAIR SERVICES	WC1 GL1 VL1 GLXCU	WC1 GL1 VL1 GLXCU	WC1 GL1 VL1 GLXCU	WC2 GL2 VL2 GLXCU	WC3 GL3 VL2 GLXCU	Refer to Risk Management
BUILDING REHABILITATION	BUILDING REHABILITATION (TO INCLUDE RE-ROOFING OF BUILDINGS) NOT AFFECTING THE STRUCTURAL INTEGRITY OF THE BUILDING	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL2	WC2 GL2 VL3	WC3 GL3 VL3	Refer to Risk Management
GENERAL CONTRACTORS	CONSTRUCTION OF NEW BUILDINGS AND THE RENOVATION OF EXISTING BUILDINGS THAT IMPACT THE STRUCTURAL INTEGRITY OF THE BUILDING	WC1 GL1 VL1 GLXCU BR1	WC1 GL1 VL1 GLXCU BR1	WC1 GL1 VL1 GLXCU BR1	WC2 GL2 VL2 GLXCU BR1	WC3 GL3 VL3 GLXCU BR1	Refer to Risk Management
ELECTRICAL CONTRACTORS	LICENSED ELECTRICAL CONTRACTORS PROVIDING EITHER MAINTENANCE OR INSTALLATION SERVICES FOR THE CITY	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC2 GL2 VL1	WC2 GL2 VL2	Refer to Risk Management
BUILDING DEMOLITION	THE DEMOLITION OF BUILDINGS TO INCLUDE CONDEMNED STRUCTURES	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL2	WC2 GL2 VL3	WC3 GL3 VL3	Refer to Risk Management
SIDEWALK INSTALLATION AND REPAIR	INSTALLATION AND REPAIR OF CITY OWNED SIDEWALKS	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC2 GL2 VL2	WC3 GL3 VL2	Refer to Risk Management
INJECTION WELL DRILLING AND ABANDONMENT	THE DRILLING AND CLOSURE OF INJECTION WELLS TO INCLUDE EFFLUENT DISPOSAL SYSTEMS	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC2 GL2 VL1	WC3 GL3 VL1	Refer to Risk Management
INSTALLATION AND MAINTENANCE OF FENCES	INSTALLATION AND REPAIR OF CITY OWNED FENCING	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC2 GL2 VL1	WC3 GL3 VL1	Refer to Risk Management
INSTALLATION AND MAINTENANCE OF IRRIGATION SYSTEMS	INSTALLATION AND REPAIR OF CITY OWNED IRRIGATION SYSTEMS	WC1 GL1 VL1 GLXCU	WC1 GL1 VL1 GLXCU	WC1 GL1 VL1 GLXCU	WC2 GL2 VL1 GLXCU	WC3 GL3 VL1 GLXCU	Refer to Risk Management

CONTRACT TYPE	DESCRIPTION OF WORK	Under \$10,000	\$10,001 to \$50,000	\$50,001 to \$100,000	\$100,001 TO \$500,000	\$500,001 TO \$1 Million	Over \$1 Million
INSTALLATION AND MAINTENANCE OF UTILITIES TO INCLUDE INSTALLATION AND MAINTENANCE OF STREET LIGHTING	INSTALLATION AND REPAIR OF CITY OWNED ELECTRIC, WATER, SEWER, GAS AND OTHER UTILITY SYSTEMS. THIS CATEGORY INCLUDES WATER/WASTEWATER TREATMENT PLANT INSTALLATIONS AND REPAIRS IF UNDERGROUND UTILITIES INCLUDE	WC1 GL1 VL1  GLXCU	WC1 GL1 VL1  GLXCU	WC1 GL1 VL1  GLXCU	WC2 GL2 VL1  GLXCU	WC3 GL3 VL1  GLXCU	Refer to Risk Management
INSTALLATION AND MAINTENANCE OF UNDERGROUND FUEL TANKS	THE INSTALLATION AND REPAIR OF UNDERGROUND FUEL TANKS OWNED BY THE CITY	WC1 GL1 VL1 GLXCU POL1	WC1 GL1 VL1 GLXCU POL1	WC1 GL1 VL1 GLXCU POL2	WC2 GL2 VL1 GLXCU POL2	WC3 GL3 VL1 GLXCU POL3	Refer to Risk Management
INSTALLATION AND MAINTENANCE OF ABOVEGROUND FUEL TANKS	THE INSTALLATION AND REPAIR OF ABOVEGROUND FUEL TANKS OWNED BY THE CITY	WC1 GL1 VL1 POL1	WC1 GL1 VL1 POL1	WC1 GL1 VL1 POL2	WC2 GL2 VL1 POL2	WC3 GL3 VL1 POL3	Refer to Risk Management
REMOVAL OF UNDERGROUND FUEL TANKS	THE REMOVAL OF UNDERGROUND FUEL TANKS OWNED BY THE CITY	WC1 GL1 VL1 GLXCU	WC1 GL1 VL1 GLXCU	WC1 GL1 VL1 GLXCU	WC2 GL2 VL1 GLXCU	WC3 GL3 VL1 GLXCU	Refer to Risk Management
REMOVAL OF ABOVE GROUND FUEL TANKS	THE REMOVAL OF UNDERGROUND FUEL TANKS OWNED BY THE CITY	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC2 GL2 VL2	WC3 GL3 VL2	Refer to Risk Management
ROAD CONSTRUCTION	CONSTRUCTION OR REPAIR OF CITY OWNED STREETS AND ROADWAYS	WC1  GL1  VL1 GLXCU	WC1  GL1  VL1 GLXCU	WC1  GL1  VL1 GLXCU	WC2  GL2  VL2 GLXCU	WC3  GL3  VL3 GLXCU	Refer to Risk Management
WATER WELL DRILLING AND ABANDONMENT	THE DRILLING AND CLOSURE OF WATER WELLS	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC2 GL2 VL1	WC3 GL3 VL1	Refer to Risk Management

Note: All contracts with an estimated project cost in excess of \$1 million must be referred to Risk Management for the establishment of insurance requirements.

**CITY OF HOLLYWOOD, FLORIDA  
RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**Introduction  
to  
SERVICE CONTRACTORS AND SUBCONTRACTORS**

This section of the manual will apply to Vendors and Contractors supplying goods or services to the City which are not in connection with a construction project. The insurance requirements for Agreements/Contracts which supply goods or services associated with construction projects should be governed by the **Construction Contractors** section of this manual. The types and amounts of insurance will be determined based on the type of service or goods provided and the projected payment to the Vendor. The fact that the funds used to pay for the goods or services were obtained from Federal, State, or other grants is not material.

A special matrix of for this section has been developed to assist in the establishment of the proper insurance coverages and limits.

As a general rule, all agreements will include as a minimum:

- Indemnification and Hold Harmless Provisions
- General Insurance Requirements
- Workers' Compensation Provisions
- General Liability Provisions
- and
- Vehicle Liability Provisions

All questions should be directed to Risk Management.



**RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**General Insurance Requirements  
for  
Service Contractors and Subcontractors**

As a pre-requisite of the work governed, or the goods supplied under this contract (including the pre-staging of personnel and material), the Contractor shall obtain, at his/her own expense, insurance as specified in any attached schedules, which are made part of this contract. The Contractor will ensure that the insurance obtained will extend protection to all Subcontractors engaged by the Contractor. As an alternative, the Contractor may require all Subcontractors to obtain insurance consistent with the attached schedules.

The Contractor will not be permitted to commence work governed by this contract (including pre-staging of personnel and material) until satisfactory evidence of the required insurance has been furnished to the City as specified below. Delays in the commencement of work, resulting from the failure of the Contractor to provide satisfactory evidence of the required insurance, shall not extend deadlines specified in this contract and any penalties and failure to perform assessments shall be imposed as if the work commenced on the specified date and time, except for the Contractor's failure to provide satisfactory evidence.

The Contractor shall maintain the required insurance throughout the entire term of this contract and any extensions specified in the attached schedules. Failure to comply with this provision may result in the immediate suspension of all work until the required insurance has been reinstated or replaced. Delays in the completion of work resulting from the failure of the Contractor to maintain the required insurance shall not extend deadlines specified in this contract and any penalties and failure to perform assessments shall be imposed as if the work had not been suspended, except for the Contractor's failure to maintain the required insurance.

The Contractor shall provide, to the City, as satisfactory evidence of the required insurance, either:

- Certificate of Insurance
- or
- A Certified copy of the actual insurance policy.

The City, at its sole option, has the right to request a certified copy of any or all insurance policies required by this contract.

All insurance policies must specify that they are not subject to cancellation, non-renewal, material change, or reduction in coverage unless a minimum of thirty (30) days prior notification is given to the City by the insurer.

The acceptance and/or approval of the Contractor's insurance shall not be construed as relieving the Contractor from any liability or obligation assumed under this contract or imposed by law.

**GIR-SERVICE CONTRACT**

The City of Hollywood, Florida, its employees and officials will be included as "Additional Insured" on all policies, except for Workers' Compensation.

Any deviations from these General Insurance Requirements must be requested in writing on the City prepared form entitled "**Request for Waiver of Insurance Requirements**" and approved by the City's Risk Management Department.

**GIR-SERVICE CONTRACT**

**CITY OF HOLLYWOOD, FLORIDA**

**SCHEDULE OF INSURANCE REQUIREMENTS**

**FOR**

**OTHER CONTRACTORS AND SUBCONTRACTORS**

All service contracts will include the following forms:

**SCI** Indemnification and Hold Harmless for Service Contracts and Subcontractors

**GIR-SERVICE CONTRACTS** General Insurance Requirements for Service Contractors and Subcontractors

In addition, all service contracts will include the specific insurance forms reflected in the following matrix.

CONTRACT TYPE	DESCRIPTION OF WORK	Under \$10,000	\$10,001 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 Million	Over \$1 Million
ASBESTOS REMOVAL	ENCAPSULATING, REMOVING OR TESTING FOR ASBESTOS	WC1 GL1 VL1 ASB	WC1 GL1 VL1 ASB	WC1 GL1 VL1 ASB	WC2 GL2 VL2 ASB	WC3 GL3 VL2 ASB	Refer to Risk Management
CONSULTING SERVICES	PROVIDE PROFESSIONAL SERVICES, BOTH ON AND OFF SITE SUCH AS MANAGEMENT AND FINANCIAL CONSULTANTS, INCLUDES SERVICES OF A PROFESSIONAL NATURE WHETHER LICENSED OR NOT	WC1 GL1 VL1 PRO1	WC1 GL1 VL1 PRO1	WC1 GL1 VL1 PRO1	WC2 GL2 VL2 PRO2	WC3 GL3 VL3 PRO3	Refer to Risk Management
DELIVERIES	DELIVERY, LOADING AND UNLOADING OF HEAVY EQUIPMENT OR MACHINERY REQUIRING CRANES OR RIGGING	WC1 GL1 VL1 IF MVC	WC1 GL1 VL1 IF MVC	WC1 GL1 VL1 IF MVC	WC1 GL2 VL2 IF MVC	WC1 GL3 VL3 IF MVC	Refer to Risk Management
DELIVERIES	DELIVERY, LOADING AND UNLOADING OF OTHER GOODS, SUCH AS OFFICE SUPPLIES, AND LOW VALUED EQUIPMENT	WC1 GL1 VL1 MVC	WC1 GL1 VL1 MVC	WC1 GL1 VL2 MVC	WC2 GL2 VL2 MVC	WC2 GL2 VL2 MVC	Refer to Risk Management
ENVIRONMENTAL CONTRACTORS	CONTRACTORS ENGAGED IN THE TESTING OR MONITORING OF SOIL, WATER OR AIR	WC1 GL1 VL1 POL2	WC1 GL1 VL1 POL2	WC1 GL1 VL1 POL2	WC1 GL1 VL1 POL2	WC1 GL1 VL1 POL2	Refer to Risk Management
FOOD SERVICES	PROVIDING FOOD SERVICES TO CITY EMPLOYEES, THE ELDERLY AND OTHER CITIZENS	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL2 VL1	WC2 GL2 VL2	Refer to Risk Management
FUEL DELIVERIES	DELIVERY, LOADING AND UNLOADING OF TOXIC OR HAZARDOUS SUBSTANCES SUCH AS OIL, GASOLINE, CHLORINE, OTHER CHEMICALS	WC1 GL1 VL1 VLP1 MVC MCS	WC1 GL1 VL1 VLP1 MVC MCS	WC1 GL1 VL1 VLP1 MVC MCS	WC2 GL2 VL2 VLP2 MVC MCS	WC2 GL3 VL3 VLP3 MVC MCS	Refer to Risk Management
GARBAGE COLLECTION (SOLID WASTE)	RESIDENTIAL AND COMMERCIAL GARBAGE COLLECTION	WC1 GL1 VL2 POL2	WC1 GL1 VL2 POL2	WC1 GL1 VL2 POL2	WC1 GL2 VL3 POL2	WC1 GL2 VL3 POL2	Refer to Risk Management
HOUSEHOLD HAZARDOUS WASTE DISPOSAL	ORGANIZATIONS RESPONSIBLE FOR RECEIVING AND DISPOSING OF PAINTS, OILS, AND SOLVENTS FROM CITY RESIDENTS	WC1 GL1 VL1 POL2	WC1 GL1 VL2 POL2	WC1 GL1 VL2 POL2	WC1 GL2 VL3 POL2	WC1 GL2 VL3 POL2	Refer to Risk Management
INSTRUMENT TESTING AND CALIBRATION	THE TESTING AND CALIBRATION OF FIRE, MEDICAL AND BIO-MEDICAL EQUIPMENT	WC1 GL2 VL1	WC1 GL2 VL1	WC1 GL2 VL1	WC1 GL3 VL2	WC1 GL3 VL3	Refer to Risk Management
JANITORIAL SERVICES	CLEANING CITY BUILDINGS (WITH OR) WITHOUT CITY SUPERVISION	WC1 VL1 ED1 GL1	WC1 VL1 ED1 GL1	WC1 VL1 ED1 GL1	WC2 VL2 ED2 GL2	WC2 VL2 ED2 GL2	Refer to Risk Management

CONTRACT TYPE	DESCRIPTION OF WORK	Under \$10,000	\$10,001 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 Million	Over \$1 Million
LAB TESTING	GENERAL LAB TESTING	GL1 VL1 PRO1 WC1	GL2 VL1 PRO1 WC1	GL1 VL1 PRO1 WC1	GL2 VL2 PRO2 WC1	GL3 VL3 PRO3 WC1	Refer to Risk Management
LAWN CARE AND LANDSCAPING	CLEARING LOTS TREE TRIMMING, MOWING OF LAWNS, SHRUBBERY WORK, ETC	GL1 VL1 WC1	GL1 VL1 WC1	GL1 VL1 WC1	GL1 VL2 WC1	GL2 VL3 WC1	Risk Management Refer to
MARINE CONTRACTORS	SERVICES INVOLVING THE MASTER OR CREW OF ANY OCEAN GOING VESSEL	GL1 VL1 WCJA WL1	GL1 VL1 WCJA WL1	GL1 VL1 WCJA WL1	GL1 VL2 WCJA WL1	GL2 VL3 WCJA WL2	Refer to Risk Management
MEDICAL SERVICES	PROVIDING MEDICAL AND PSYCHIATRIC SERVICES TO CITIZENS, EMPLOYEES, EMPLOYEE APPLICANTS, DRUG TESTING & PHYSIOLOGICAL TESTING OF EMPLOYEES	WC1 GL1 VL1 MED1	WC1 GL1 VL1 MED1	WC1 GL1 VL1 MED1	WC2 GL2 VL2 MED2	WC3 GL3 VL3 MED3	Refer to Risk Management
ON-SITE SERVICES	PROVIDING SPECIALIZED SERVICES AND TEMPORARY HELP WHERE CONTRACTOR'S EMPLOYEES WORK ON CITY PROPERTY, USING CITY EQUIPMENT AND UNDER CITY SUPERVISION FOR EXTENDED PERIODS (NOT INDIVIDUAL EMPLOYMENT CONTRACTS)	WC1 GL1 VL1 ED1	WC1 GL1 VL1 ED1	WC1 GL1 VL1 ED1	WC2 GL2 VL2 ED2	WC3 GL3 VL3 ED2	Refer to Risk Management
PARKING LOT OPERATIONS AND VALET PARKING SERVICES	FIRMS ENGAGED IN OPERATING PARKING FACILITIES ON CITY OWNED PROPERTY OR FIRMS PROVIDING VALET PARKING SERVICES	WC1 GL1 VL1 GK1	WC1 GL1 VL1 GK1	WC1 GL1 VL1 GK1	WC2 GL2 VL2 GK2	WC3 GL3 VL3 GK3	Refer to Risk Management
PEST CONTROL	FIRMS ENGAGED IN THE ELIMINATION BUGS, RODENTS, AND SIMILAR ANIMALS.	WC1 GL1 VL1 POL1	WC1 GL1 VL1 POL1	WC2 GL2 VL2 POL1	WC2 GL2 VL2 POL1	WC2 GL3 VL3 POL2	Refer to Risk Management
REFUSE PICKUP	FROM CITY BUILDINGS, PRIVATE RESIDENCES, PUBLIC STREETS AND PARKS AND INCLUDES SOLID WASTE, SEWAGE & OTHER HAZARDOUS MATERIALS	WC1 GL1 VL1 POL1	WC1 GL1 VL1 POL1	WC1 GL1 VL1 POL1	WC2 GL2 VL2 POL2	WC3 GL3 VL3 POL3	Refer to Risk Management
REPAIRS/MAINT.	REPAIRS/MAINTENANCE TO CITY-OWNED EQUIPMENT IN CITY BUILDINGS, SUCH AS OFFICE MACHINES, COPIERS, FIRE EXTINGUISHERS, ETC	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC2 GL2 VL2	WC3 GL3 VL3	Refer to Risk Management
REPAIRS, OUTSIDE	REPAIRS TO CITY-OWNED EQUIPMENT AT CONTRACTOR'S SITE, SUCH AS RADIO AND COMMUNICATION EQUIPMENT, PUMPS, MOTORS,	WC1 GL1 VL1 BLL	WC1 GL1 VL1 BLL	WC1 GL1 VL1 BLL	WC2 GL2 VL2 BLL	WC3 GL3 VL3 BLL	Refer to Risk Management
ROAD OR RIGHT OF WAY MAINTENANCE NOT INVOLVING EXCAVATIONS	WORK ON CITY ROADS AND RIGHT OF WAYS WHICH AFFECTS PUBLIC TRAFFIC (BOTH VEHICLE AND PEDESTRIAN)	WC2 GL2 VL2 GLXCU	WC2 GL2 VL2 GLXCU	WC2 GL2 VL2 GLXCU	WC3 GL3 VL3 GLXCU	WC3 GL3 VL3 GLXCU	Refer to Risk Management
SEAWALL/MARINE DOCK MAINTENANCE	ORGANIZATIONS ENGAGED TO MAINTAIN OR REBUILD CITY OWNED SEAWALLS OR MARINE DOCKS	WC1 GL1 VL1 WCUSLH	WC1 GL1 VL1 WCUSLH	WC1 GL1 VL1 WCUSLH	WC1 GL1 VL2 WCUSLH	WC1 GL2 VL2 WCUSLH	Refer to Risk Management
SECURITY SERVICES	ORGANIZATIONS ENGAGED IN THE PROVIDING OF GUARD AND OTHER SECURITY SERVICES	WC1 GL2 VL1	WC1 GL2 VL1	WC1 GL2 VL1	WC2 GL3 VL2	WC3 GL3 VL3	Refer to Risk Management
TRADES/MAINT. SERVICES	TRADE SERVICES ON OR OFF CITY PROPERTY SUCH AS EXTERMINATORS CARPET INSTALLATION, WINDOW CLEANING, ELEVATOR REPAIR, ROOFING AND PAINTING	WC1 GL1 VL1	WC1 GL1 VL1	WC2 GL2 VL2	WC2 GL2 VL2	WC3 GL3 VL3	Refer to Risk Management
TRADES/MAINT. SERVICES INVOLVING VEHICLES	TRADE SERVICES ON OR OFF PUBLIC PROPERTY SUCH AS AUTO GLASS REPLACEMENT, TIRE REPAIRS, ETC	WC1 GL1 VL1 GK1	WC1 GL1 VL1 GK1	WC1 GL1 VL1 GK1	WC2 GL2 VL2 GK2	WC3 GL3 VL3 GK3	Refer to Risk Management
TRANSPORTATION	PROVIDING TRANSPORTATION FOR EITHER CITY EMPLOYEES OR NON-CITY EMPLOYEES TO INCLUDE TRANSPORTING THE ELDERLY	WC1 GL1 VL2	WC1 GL1 VL2	WC1 GL1 VL2	WC2 GL2 VL3	WC3 GL3 VL3	Refer to Risk Management
VEHICLE SERVICES	SERVICES PERFORMED AT CONTRACTOR'S SHOP ON CITY VEHICLES, SUCH AS PAINTING, BODY WORK, MECHANICAL, ETC. & INCLUDES MODIFICATION TO EMERGENCY VEHICLES	WC1 GL1 VL3 GK1	WC1 GL1 VL3 GK1	WC1 GL1 VL3 GK1	WC2 GL2 VL3 GK2	WC3 GL3 VL3 GK3	Refer to Risk Management

CONTRACT TYPE	DESCRIPTION OF WORK	Under \$10,000	\$10,001 to \$50,000	\$50,001 to \$100,000	\$100,001 TO \$500,000	\$500,001 TO \$1 Million	Over \$1 Million
ADVERTISING	FIRMS ENGAGED TO PROMOTE THE CITY AND CITY ACTIVITIES	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL2 VL1	WC1 GL2 VL2	Refer to Risk Management
PRESSURE CLEANING	FIRMS ENGAGED TO USE PRESSURE WASHERS TO CLEAN CITY OWNED BUILDINGS, SIDEWALKS, PARKING LOTS AND OTHER STRUCTURES	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL2 VL1	WC1 GL2 VL2	Refer to Risk Management
LAUNDRY SERVICES	CLEANING OF CITY UNIFORMS AND OTHER SIMILAR GARMENTS	WC1 GL1 VL1 BLL	WC1 GL1 VL1 BLL	WC1 GL1 VL1 BLL	WC2 GL2 VL2 BLL	WC3 GL3 VL3 BLL	Refer to Risk Management
LEGAL REPRESENTATION	OUTSIDE LEGAL COUNSEL ENGAGED TO DEFEND THE CITY AGAINST LEGAL ACTIONS OR PROVIDE GUIDANCE ON SPECIALIZED PROJECTS	WC1 GL1 VL1 PRO1	WC1 GL1 VL1 PRO1	WC1 GL1 VL1 PRO2	WC2 GL2 VL2 PRO3	WC3 GL3 VL3 PRO3	Refer to Risk Management
CONCESSION OPERATIONS	FIRMS PERMITTED TO OPERATE CONCESSION STANDS OR OTHER SIMILAR BUSINESSES ON CITY OWNED PROPERTY. INCLUDE VENDING MACHINE OPERATIONS WITHIN THIS CATEGORY.	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL1 VL1	WC1 GL2 VL1	WC1 GL2 VL2	Refer to Risk Management
MARINA OPERATIONS	FIRMS OPERATING CITY OWNED MARINAS GOVERNED BY CONTRACTS OR AGREEMENTS	WC1 GL3 VL1 MOLL WL	WC1 GL3 VL1 MOLL WL	WC1 GL3 VL1 MOLL WL	WC1 GL3 VL1 MOLL WL	WC1 GL3 VL2 MOLL WL	Refer to Risk Management
GOLF COURSE OPERATIONS	FIRMS OPERATING CITY OWNED GOLF COURSES GOVERNED BY CONTRACTS OR AGREEMENTS	WC1 GL3 VL1 MOLL POL2	WC1 GL3 VL1 MOLL POL2	WC1 GL3 VL1 MOLL POL2	WC1 GL3 VL1 MOLL POL2	WC1 GL3 VL2 MOLL POL2	Refer to Risk Management
CLAIMS ADMINISTRATIONS	FIRMS ENGAGED TO PROVIDE CLAIMS ADMINISTRATION ON BEHALF OF THE CITY  IF THE CITY IS REQUIRED TO ESTABLISH AN ESCROW OR WORKING FUND WITH THE ADMINISTRATOR AUTHORIZED TO WITHDRAW FUNDS	WC1 GL1 VL1 PRO1  ED1	WC1 GL1 VL1 PRO1  ED1	WC1 GL1 VL1 PRO2  ED2	WC2 GL2 VL2 PRO3  ED2	WC3 GL3 VL3 PRO3  ED2	Refer to Risk Management
VEHICLE TOWING SERVICES	FIRMS ENGAGED TO PROVIDE VEHICLE TOWING SERVICE ON BEHALF OF THE CITY	WC1 GL1 VL3 GK1	WC1 GL1 VL3 GK1	WC1 GL1 VL3 GK1	WC2 GL2 VL3 GK2	WC3 GL3 VL3 GK3	Refer to Risk Management

Note: All contracts with an estimated project cost in excess of \$1 million must be referred to Risk Management for the establishment of insurance requirements.

**ARCHITECTS ERRORS AND OMISSIONS  
LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the furnishing of architectural services, the Contractor shall purchase and maintain, throughout the life of the contract, Architects Errors and Omissions Liability Insurance which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Contractor arising out of work governed by this contract.

The minimum limits of liability shall be:

\$250,000 per Occurrence/\$500,000 Aggregate

**ARCHITECTS ERRORS AND OMISSIONS  
LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the furnishing of architectural services, the Contractor shall purchase and maintain, throughout the life of the contract, Architects Errors and Omissions Liability Insurance which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Contractor arising out of work governed by this contract.

The minimum limits of liability shall be:

\$500,000 per Occurrence/\$1,000,000 Aggregate

**ARCHITECTS ERRORS AND OMISSIONS  
LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the furnishing of architectural services, the Contractor shall purchase and maintain, throughout the life of the contract, Architects Errors and Omissions Liability Insurance which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Contractor arising out of work governed by this contract.

The minimum limits of liability shall be:

\$1,000,000 per Occurrence/\$3,000,000 Aggregate



**ARCHITECTS ERRORS AND OMISSIONS  
LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the furnishing of architectural services, the Contractor shall purchase and maintain, throughout the life of the contract, Architects Errors and Omissions Liability Insurance which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Contractor arising out of work governed by this contract.

The minimum limits of liability shall be:

\$3,000,000 per Occurrence/\$5,000,000 Aggregate

**AIRCRAFT LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the Vendor is engaged in providing commercial air transportation and delivery service to and from air facilities owned, operated, or maintained by the City, the Vendor shall purchase and maintain, throughout the life of the contract, Aircraft and Airport Liability Insurance which will respond to bodily injury and property damages resulting from any claim arising out of the air transportation services governed by this contract.

The covered operations section of the policy must specifically state that the Vendor is engaged in business of a commercial airline.

The City of Hollywood must be named as Additional Insured.

The minimum limits of liability shall be \$50 million per occurrence, for both types of coverages.

**AIR1**

**AIRCRAFT LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the providing of aerial services, normally classified as ultra-hazardous activities, the Contractor shall purchase and maintain, throughout the life of the contract, Aircraft Liability Insurance specifically stating that the policy will respond to crop dusting, banner towing, air shows, aerial inspection, or aerial photography, or any other activity specified in the contract.

The City of Hollywood shall be named as Additional Insured.

The minimum limits of liability shall be \$1 million per occurrence.

**AIRCRAFT LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the providing of aerial services, normally classified as ultra-hazardous activities, the Contractor shall purchase and maintain, throughout the life of the contract, Aircraft Liability Insurance specifically stating that the policy will respond to crop dusting, banner towing, air shows, aerial inspection, or aerial photography, or any other activity specified in the contract.

The City of Hollywood shall be named as Additional Insured.

The minimum limits of liability shall be \$3 million per occurrence.

**ALL RISK PROPERTY  
INSURANCE REQUIREMENTS  
FOR  
LEASES/RENTALS OF  
CITY-OWNED PROPERTY**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contactor shall obtain All Risk Property Insurance (to include the perils of Flood and Wind) with limits no less than the Replacement Cost Value of the property leased or rented. Coverage shall be maintained throughout the life of the contract and include, as a minimum, liability coverage for:

Fire	Lightning	Vandalism
Sprinkler Leakage	Sinkhole Collapse	Falling Objects
Windstorm	Smoke	Explosion
Civil Commotion	Aircraft and Vehicle Damage	Flood

The City of Hollywood shall be named as Additional Insured and Loss Payee on all policies issued to satisfy the above requirements.

**ARP**

**ASBESTOS ABATEMENT LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the installation, removal, transporting, or disposal of asbestos material, the Contractor shall purchase and maintain Asbestos Abatement Liability Insurance with limits no less than those specified for the General Liability Insurance. The policy will contain a "Retroactive Date" of no later than the commencement of work and will have an extended reporting period of four (4) years.

**ASB**

**BAILEE'S LEGAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves City property being in the care, custody, and control of the Contractor, and that most liability policies exclude coverage for such items, the Contractor will be required to maintain Bailee's Liability Insurance in amounts no less than the replacement value of the property in the possession of the Contractor.

Maximum value of the City's property which is in the possession of the Contractor:

\$ \_\_\_\_\_  
Must be completed by the City

**BLL**

**BUILDER'S RISK  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

The Contractor shall be required to purchase and maintain, throughout the life of the contract, and until the project is accepted by the City, Builder's Risk Insurance on an All Risk of Loss form. Coverage shall include:

Theft  
Windstorm  
Hail  
Explosion  
Riot  
Civil Commotion

Aircraft  
Vehicles  
Smoke  
Fire  
Collapse  
Flood

The policy limits shall be no less than the amount of the finished project and coverage shall be provided on a completed value basis.

Property located on the construction premises, which is intended to become a permanent part of the building, shall be included as property covered.

The policy shall be endorsed permitting the City to occupy the building prior to completion without effecting the coverage.

The City of Hollywood shall be named as Additional Insured and Loss Payee.

**BR1**



**BUILDER'S RISK  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

The Contractor shall be required to purchase and maintain, throughout the life of the contract, and until the project is accepted by the City, Builder's Risk Insurance on an All Risk of Loss form. Coverage shall include:

Theft	Aircraft
Hail	Smoke
Explosion	Fire
Riot	Collapse
Civil Commotion	Flood
Vehicles	

The policy limits shall be no less than the amount of the finished project and coverage shall be provided on a completed value basis.

Property located on the construction premises, which is intended to become a permanent part of the building, shall be included as property covered.

The policy shall be endorsed permitting the City to occupy the building prior to completion without effecting the coverage.

The City of Hollywood shall be named as Additional Insured and Loss Payee.

**EMPLOYEE DISHONESTY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

The Contractor shall purchase and maintain, throughout the term of the contract, Employee Dishonesty Insurance which will pay for losses to City property or money caused by the fraudulent or dishonest acts of the Contractor's employees or its agents, whether acting alone or in collusion of others.

The minimum limits shall be:

\$10,000 per Occurrence

**EMPLOYEE DISHONESTY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

The Contractor shall purchase and maintain, throughout the term of the contract, Employee Dishonesty Insurance which will pay for losses to City property or money caused by the fraudulent or dishonest acts of the Contractor's employees or its agents, whether acting alone or in collusion of others.

The minimum limits shall be:

\$100,000 per Occurrence

**GARAGE LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the servicing and/or repair of City-owned vehicles, the Contractor will be required to purchase and maintain a Garage Policy to include Garage Liability Insurance extending to vehicles, owned or leased by the City, left with the Contractor for servicing, repair, storage, or safekeeping. Coverage should include, as a minimum:

- Premises and Operations Liability
- Vehicle Liability
- Contractual Liability
- Products and Completed Operations Liability
- Garage Keepers' Legal Liability, to include:  
Comprehensive and Collision

The Garage Keepers' Legal Liability shall extend to all City-owned/leased vehicles in the care, custody, and control of the Contractor.

The Contractor's insurance shall be primary to any coverage maintained by the City.

The minimum limits acceptable shall be:

\$300,000 Combined Single limit (CSL) for liability  
\$ 25,000 Garage Keepers' Legal Liability

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**GARAGE LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the servicing and/or repair of City-owned vehicles, the Contractor will be required to purchase and maintain a Garage Policy to include Garage Liability Insurance extending to vehicles, owned or leased by the City, left with the Contractor for servicing, repair, storage, or safekeeping. Coverage should include, as a minimum:

- Premises and Operations
- Vehicle Liability
- Contractual Liability
- Products and Completed Operations Liability
- Garage Keepers' Legal Liability, to include:  
Comprehensive and Collision

The Garage Keepers' Legal Liability shall extend to all City-owned/leased vehicles in the care, custody, or control of the Contractor.

The Contractor's insurance shall be primary to any coverage maintained by the City.

The minimum limits acceptable shall be:

- \$ 1,000,000 Combined Single Limit (CSL) for liability
- \$ 250,000 Garage keepers' Legal Liability

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**GENERAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall obtain General Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum:

- Premises Operations
- Products and Completed Operations
- Blanket Contractual Liability
- Personal Injury Liability
- Expanded Definition of Property Damage

The minimum limits acceptable shall be:

\$300,000 Combined Single Limit (CSL)

If split limits are provided, the minimum limits acceptable shall be:

\$100,000 per Person  
\$300,000 per Occurrence  
\$ 50,000 Property Damage

An Occurrence Form policy is preferred. If coverage is provided on a Claims Made policy, its provisions should include coverage for claims filed on or after the effective date of this contract. In addition, the period for which claims may be reported should extend for a minimum of twelve (12) months following the acceptance of work by the City.

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**GENERAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

\_\_\_\_\_

Prior to the commencement of work governed by this contract, the Contractor shall obtain General Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum:

- Premises Operations
- Products and Completed Operations
- Blanket Contractual Liability
- Personal Injury Liability
- Expanded Definition of Property Damage

The minimum limits acceptable shall be:

\$500,000 Combined Single Limit (CSL)

If split limits are provided, the minimum limits acceptable shall be:

\$250,000 per Person  
\$500,000 per Occurrence  
\$ 50,000 Property Damage

An Occurrence Form policy is preferred. If coverage is provided on a Claims Made policy, its provisions should include coverage for claims filed on or after the effective date of this contract. In addition, the period for which claims may be reported should extend for a minimum of twelve (12) months following the acceptance of work by the City.

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**GENERAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_  
\_\_\_\_\_**

Prior to the commencement of work governed by this contract, the Contractor shall obtain General Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum:

- Premises Operations
- Products and Completed Operations
- Blanket Contractual Liability
- Personal Injury Liability
- Expanded Definition of Property Damage

The minimum limits acceptable shall be:

\$1,000,000 Combined Single Limit (CSL)

If split limits are provided, the minimum limits acceptable shall be:

\$ 500,000 per Person  
\$ 1,000,000 per Occurrence  
\$ 100,000 Property Damage

An Occurrence Form policy is preferred. If coverage is provided on a Claims Made policy, its provisions should include coverage for claims filed on or after the effective date of this contract. In addition, the period for which claims may be reported should extend for a minimum of twelve (12) months following the acceptance of work by the City.

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.



**GENERAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

\_\_\_\_\_  
\_\_\_\_\_

Prior to the commencement of work governed by this contract, the Contractor shall obtain General Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum:

- Premises Operations
- Products and Completed Operations
- Blanket Contractual Liability
- Personal Injury Liability
- Expanded Definition of Property Damage

The minimum limits acceptable shall be:

\$5,000,000 Combined Single Limit (CSL)

An Occurrence Form policy is preferred. If coverage is provided on a Claims Made policy, its provisions should include coverage for claims filed on or after the effective date of this contract. In addition, the period for which claims may be reported should extend for a minimum of twelve (12) months following the acceptance of work by the City.

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**GENERAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

**\_\_\_\_\_**

Prior to the commencement of work governed by this contract, the Contractor shall obtain General Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum:

- Premises Operations
- Products and Completed Operations
- Blanket Contractual Liability
- Personal Injury Liability
- Expanded Definition of Property Damage

The minimum limits acceptable shall be:

\$10,000,000 Combined Single Limit (CSL)

An Occurrence Form policy is preferred. If coverage is provided on a Claims Made policy, its provisions should include coverage for claims filed on or after the effective date of this contract. In addition, the period for which claims may be reported should extend for a minimum of twelve (12) months following the acceptance of work by the City.

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**LIQUOR LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the sales and/or distribution of alcoholic beverages, the Contractor's General Liability Insurance policy shall include Liquor Liability with limits equal to those of the basic coverage.

A separate Liquor Liability policy is acceptable if the coverage is no more restrictive than the Contractor's General Liability policy.

The City of Hollywood will be included as Additional Insured if a separate Liquor Liability policy is provided.

**GLLIQ**

**GENERAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

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Recognizing that the work governed by this contract involves either underground exposures, explosive activities, or the possibility of collapse of a structure, the Contractor's General Liability Policy shall include coverage for the XCU (explosion, collapse, and underground) exposures with limits of liability equal to those of the General Liability Insurance policy.

**GLXCU**

**AIRPORT LIABILITY  
AND  
HANGARKEEPERS LEGAL LIABILITY  
INSURANCE REQUIREMENT  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the repair, servicing, maintenance, fueling, or storage of aircraft, the Contractor will be required to purchase and maintain, throughout the life of the contract, Airport Liability and Hangarkeepers Legal Liability Insurance naming the City of Hollywood as Additional Insured.

The minimum limits of liability shall be \$300,000.

**HKL1**

**AIRPORT LIABILITY  
AND  
HANGARKEEPERS LEGAL LIABILITY  
INSURANCE REQUIREMENT  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the repair, servicing, maintenance, fueling, or storage of aircraft, the Contractor will be required to purchase and maintain, throughout the life of the contract, Airport Liability and Hangarkeepers Legal Liability Insurance naming the City of Hollywood as Additional Insured.

The minimum limits of liability shall be \$500,000.

**AIRPORT LIABILITY  
AND  
HANGARKEEPERS LEGAL LIABILITY  
INSURANCE REQUIREMENT  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves the repair, servicing, maintenance, fueling, or storage of aircraft, the Contractor will be required to purchase and maintain, throughout the life of the contract, Airport Liability and Hangarkeepers Legal Liability Insurance naming the City of Hollywood as Additional Insured.

The minimum limits of liability shall be \$1 million.

**AIRPORT LIABILITY  
AND  
HANGARKEEPERS LEGAL LIABILITY  
INSURANCE REQUIREMENT  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the repair, servicing, maintenance, fueling, or storage of aircraft, the Contractor will be required to purchase and maintain, throughout the life of the contract, Airport Liability and Hangarkeepers Legal Liability Insurance naming the City of Hollywood as Additional Insured.

The minimum limits of liability shall be \$5 million.



**INSTALLATION FLOATER  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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The Contractor shall be required to purchase and maintain throughout the life of the contract, and until the project is accepted by the City, Installation Insurance providing coverage for machinery and equipment, governed by this contract, while being transported, installed and tested.

As a minimum, coverage shall include:

Fire	Lightning	Windstorm	Hail
Explosion	Collapse	Strikes	Riots
Civil Commotion	Vandalism	Malicious Mischief	Vehicles
Aircraft	Flood		

The policy limits shall be no less than the amount of the machinery or equipment being installed.

The City of Hollywood shall be named as Additional Insured and Loss Payee as their interest may appear.

**IF**

**MEDICAL PROFESSIONAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the providing of professional medical treatment, the Contractor shall purchase and maintain, throughout the life of the contract, Professional Liability Insurance which will respond to the rendering of, or failure to render medical professional services under this contract.

The minimum limits of liability shall be:

\$500,000 per Occurrence/\$1,000,000 Aggregate

If coverage is provided on a claims made basis, an extended claims reporting period of four (4) years will be required.

**MED1**

**MEDICAL PROFESSIONAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the providing of professional medical treatment, the Contractor shall purchase and maintain, throughout the life of the contract, Professional Liability Insurance which will respond to the rendering of, or failure to render medical professional services under this contract.

The minimum limits of liability shall be:

\$1,000,000 per Occurrence/\$3,000,000 Aggregate

If coverage is provided on a claims made basis, an extended claims reporting period of four (4) years will be required.

**MEDICAL PROFESSIONAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the providing of professional medical treatment, the Contractor shall purchase and maintain, throughout the life of the contract, Professional Liability Insurance which will respond to the rendering of, or failure to render medical professional services under this contract.

The minimum limits of liability shall be:

\$5,000,000 per Occurrence/\$10,000,000 Aggregate

If coverage is provided on a claims made basis, an extended claims reporting period of four (4) years will be required.

**MOTOR VEHICLE CARGO  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves City property being transported by the Contractor, and that most liability policies exclude coverage for such items, the Contractor will be required to maintain Motor Vehicle Cargo Insurance in amounts no less than the replacement value of the property in the possession of the Contractor.

Maximum Value of the City's property which is in the possession of the Contractor:

\$ \_\_\_\_\_  
Must be completed by the Department

**NOTE**

If a "Free on Board" (FOB) bill of lading is utilized on incoming property, and if the City does not assume title until the property is delivered, the Contractor does not have to show evidence of Motor Vehicle Cargo Insurance.

**MVC**

**POLLUTION LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the storage, treatment, processing, or transporting of hazardous materials (as defined by the Federal Environmental Protection Agency), the Contractor shall purchase and maintain, throughout the life of the contract, Pollution Liability Insurance which will respond to bodily injury, property damage, and environmental damage caused by a pollution incident.

The minimum limits of liability shall be:

\$500,000 per Occurrence/\$1,000,000 Aggregate

If coverage is provided on a claims made basis, an extended claims reporting period of four (4) years will be required.

**POLLUTION LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the storage, treatment, processing, or transporting of hazardous materials (as defined by the Federal Environmental Protection Agency), the Contractor shall purchase and maintain, throughout the life of the contract, Pollution Liability Insurance which will respond to bodily injury, property damage, and environmental damage caused by a pollution incident.

The minimum limits of liability shall be:

\$1,000,000 per Occurrence/\$2,000,000 Aggregate

If coverage is provided on a claims made basis, an extended claims reporting period of four (4) years will be required.

**POLLUTION LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the storage, treatment, processing, or transporting of hazardous materials (as defined by the Federal Environmental Protection Agency), the Contractor shall purchase and maintain, throughout the life of the contract, Pollution Liability Insurance which will respond to bodily injury, property damage, and environmental damage caused by a pollution incident.

The minimum limits of liability shall be:

\$5,000,000 per Occurrence/\$10,000,000 Aggregate

If coverage is provided on a claims made basis, an extended claims reporting period of four (4) years will be required.

**POL3**



**POLLUTION LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the storage, treatment, processing, or transporting of potentially polluting material, the Contractor shall purchase and maintain, throughout the life of the contract, Pollution Liability Insurance which will respond to bodily injury, property damage, and environmental damage caused by a discharge of wastes which are governed by this contract. The policy must specifically identify this contract and specify that coverage will extend to all losses, claiming pollution or environmental impairment, arising out of the services governed by this contract.

The minimum limits of liability shall be:

\$1 Million per Occurrence

If coverage is provided on a claims made basis, an extended claims reporting period of one (1) year will be required.

The City of Hollywood shall be named as an Additional Insured.

**POLLUTION LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this agreement involves potentially polluting material, the Licensee shall purchase and maintain, throughout the life of the contract, Pollution Liability Insurance which will respond to bodily injury, property damage, and environmental damage caused by a discharge of wastes from a Sewer Force Main, owned by the Licensee, installed on a City right-of-way. The policy must specifically identify this agreement and specify that coverage will extend to all losses, claiming pollution or environmental impairment, arising out of the rights granted to the Licensee by this agreement.

The minimum limits of liability shall be:

\$1 Million per Occurrence

If coverage is provided on a claims made basis, an extended claims reporting period of one (1) year will be required.

The City of Hollywood shall be named as an Additional Insured.

**PROFESSIONAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the furnishing of advice or services of a professional nature, the Contractor shall purchase and maintain, throughout the life of the contract, Professional Liability Insurance which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Contractor arising out of work governed by this contract.

The minimum limits of liability shall be:

\$250,000 per Occurrence/\$500,000 Aggregate

**PROFESSIONAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the furnishing of advice or services of a professional nature, the Contractor shall purchase and maintain, throughout the life of the contract, Professional Liability Insurance which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Contractor arising out of work governed by this contract.

The minimum limits of liability shall be:

\$500,000 per Occurrence/\$1,000,000 Aggregate

**PROFESSIONAL LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the furnishing of advice or services of a professional nature, the Contractor shall purchase and maintain, throughout the life of the contract, Professional Liability Insurance which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Contractor arising out of work governed by this contract.

The minimum limits of liability shall be:

\$1,000,000 per Occurrence/\$2,000,000 Aggregate

**POLLUTION LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract involves the maintenance and operation of fuel tanks, the Contractor shall purchase and maintain, throughout the life of the contract, Pollution Liability Insurance which will respond to bodily injury, property damage, and environmental damage caused by a pollution incident, consistent with Florida Statute 376.3072.

**UST**

**VEHICLE LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract requires the use of vehicles, the Contractor, prior to the commencement of work, shall obtain Vehicle Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum, liability coverage for:

- Owned, Non-Owned, and Hired Vehicles

The minimum limits acceptable shall be:

\$100,000 Combined Single Limit (CSL)

If split limits are provided, the minimum limits acceptable shall be:

\$ 50,000 per Person  
\$100,000 per Occurrence  
\$ 25,000 Property Damage

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**VEHICLE LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract requires the use of vehicles, the Contractor, prior to the commencement of work, shall obtain Vehicle Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum, liability coverage for:

- Owned, Non-Owned, and Hired Vehicles

The minimum limits acceptable shall be:

\$300,000 Combined Single Limit (CSL)

If split limits are provided, the minimum limits acceptable shall be:

\$100,000 per Person  
\$300,000 per Occurrence  
\$ 50,000 Property Damage

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.



**VEHICLE LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract requires the use of vehicles, the Contractor, prior to the commencement of work, shall obtain Vehicle Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum, liability coverage for:

➤ Owned, Non-Owned, and Hired Vehicles

The minimum limits acceptable shall be:

\$1,000,000 Combined Single Limit (CSL)

If split limits are provided, the minimum limits acceptable shall be:

\$ 500,000 per Person  
\$1,000,000 per Occurrence  
\$ 100,000 Property Damage

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**VEHICLE LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Recognizing that the work governed by this contract requires the use of vehicles, the Contractor, prior to the commencement of work, shall obtain Vehicle Liability Insurance. Coverage shall be maintained throughout the life of the contract and include, as a minimum, liability coverage for:

- Owned, Non-Owned, and Hired Vehicles

The minimum limits acceptable shall be:

\$5,000,000 Combined Single Limit (CSL)

If split limits are provided, the minimum limits acceptable shall be:

\$1,000,000 per Person  
\$5,000,000 per Occurrence  
\$ 100,000 Property Damage

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**HAZARDOUS CARGO TRANSPORTERS LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall purchase Pollution Liability Insurance which extends to the hauling of toxic and hazardous material by motorized vehicles. In compliance with the Motor Carrier Act, the policy should be endorsed with an MCS-90 Endorsement, demonstrating financial responsibility for spills and clean-up. Any pollution exclusion limiting coverage under this policy shall be removed.

The minimum limits acceptable shall be:

\$300,000 per Occurrence

**HAZARDOUS CARGO TRANSPORTERS LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

---

Prior to the commencement of work governed by this contract, the Contractor shall purchase Pollution Liability Insurance which extends to the hauling of toxic and hazardous material by motorized vehicles. In compliance with the Motor Carrier Act, the policy should be endorsed with an MCS-90 Endorsement, demonstrating financial responsibility for spills and clean-up. Any pollution exclusion limiting coverage under this policy shall be removed.

The minimum limits acceptable shall be:

\$500,000 per Occurrence

**HAZARDOUS CARGO TRANSPORTERS LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall purchase Pollution Liability Insurance which extends to the hauling of toxic and hazardous material by motorized vehicles. In compliance with the Motor Carrier Act, the policy should be endorsed with an MCS-90 Endorsement, demonstrating financial responsibility for spills and clean-up. Any pollution exclusion limiting coverage under this policy shall be removed.

The minimum limits acceptable shall be:

\$1,000,000 per Occurrence

**HAZARDOUS CARGO TRANSPORTERS LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT\_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall purchase Pollution Liability Insurance which extends to the hauling of toxic and hazardous material by motorized vehicles. In compliance with the Motor Carrier Act, the policy should be endorsed with an MCS-90 Endorsement, demonstrating financial responsibility for spills and clean-up. Any pollution exclusion limiting coverage under this policy shall be removed.

The minimum limits acceptable shall be:

\$500,000 per Occurrence

**HAZARDOUS CARGO TRANSPORTERS LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall purchase Pollution Liability Insurance which extends to the hauling of toxic and hazardous material by motorized vehicles. In compliance with the Motor Carrier Act, the policy should be endorsed with an MCS-90 Endorsement, demonstrating financial responsibility for spills and clean-up. Any pollution exclusion limiting coverage under this policy shall be removed.

The minimum limits acceptable shall be:

\$1,000,000 per Occurrence

**HAZARDOUS CARGO TRANSPORTERS LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall purchase Pollution Liability Insurance which extends to the hauling of toxic and hazardous material by motorized vehicles. In compliance with the Motor Carrier Act, the policy should be endorsed with an MCS-90 Endorsement, demonstrating financial responsibility for spills and clean-up. Any pollution exclusion limiting coverage under this policy shall be removed.

The minimum limits acceptable shall be:

\$1,000,000 per Occurrence



**WORKERS' COMPENSATION  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall obtain Workers' Compensation Insurance with limits sufficient to respond to Florida Statute 440.

In addition, the Contractor shall obtain Employers' Liability Insurance with limits of not less than:

\$100,000 Bodily Injury by Accident  
\$500,000 Bodily Injury by Disease, policy limits  
\$100,000 Bodily Injury by Disease, each employee

Coverage shall be maintained throughout the entire term of the contract.

Coverage shall be provided by a company or companies authorized to transact business in the state of Florida and the company or companies must maintain a minimum rating of A-VI, as assigned by the A.M. Best Company.

If the Contractor has been approved by the Florida's Department of Labor, as an authorized self-insurer, the City shall recognize and honor the Contractor's status. The Contractor may be required to submit a Letter of Authorization issued by the Department of Labor and a Certificate of Insurance, providing details on the Contractor's Excess Insurance Program.

If the Contractor participates in a self-insurance fund, a Certificate of Insurance will be required. In addition, the Contractor may be required to submit updated financial statements from the fund upon request from the City.

**WORKERS' COMPENSATION  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall obtain Workers' Compensation Insurance with limits sufficient to respond to the applicable state statutes.

In addition, the Contractor shall obtain Employers' Liability Insurance with limits of not less than:

\$500,000 Bodily Injury by Accident  
\$500,000 Bodily Injury by Disease, policy limits  
\$500,000 Bodily Injury by Disease, each employee

Coverage shall be maintained throughout the entire term of the contract.

Coverage shall be provided by a company or companies authorized to transact business in the state of Florida and the company or companies must maintain a minimum rating of A-VI, as assigned by the A.M. Best Company.

If the Contractor has been approved by the Florida's Department of Labor, as an authorized self-insurer, the City shall recognize and honor the Contractor's status. The Contractor may be required to submit a Letter of Authorization issued by the Department of Labor and a Certificate of Insurance, providing details on the Contractor's Excess Insurance Program.

If the Contractor participates in a self-insurance fund, a Certificate of Insurance will be required. In addition, the Contractor may be required to submit updated financial statements from the fund upon request from the City.

**WORKERS' COMPENSATION  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall obtain Workers' Compensation Insurance with limits sufficient to respond to the applicable state statutes.

In addition, the Contractor shall obtain Employers' Liability Insurance with limits of not less than:

\$1,000,000 Bodily Injury by Accident  
\$1,000,000 Bodily Injury by Disease, policy limits  
\$1,000,000 Bodily Injury by Disease, each employee

Coverage shall be maintained throughout the entire term of the contract.

Coverage shall be provided by a company or companies authorized to transact business in the state of Florida and the company or companies must maintain a minimum rating of A-VI, as assigned by the A.M. Best Company.

If the Contractor has been approved by the Florida's Department of Labor, as an authorized self-insurer, the City shall recognize and honor the Contractor's status. The Contractor may be required to submit a Letter of Authorization issued by the Department of Labor and a Certificate of Insurance, providing details on the Contractor's Excess Insurance Program.

If the Contractor participates in a self-insurance fund, a Certificate of Insurance will be required. In addition, the Contractor may be required to submit updated financial statements from the fund upon request from the City.

**WORKERS' COMPENSATION  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_  
  
BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Prior to the commencement of work governed by this contract, the Contractor shall obtain Workers' Compensation Insurance with limits sufficient to respond to the applicable state statutes.

In addition, the Contractor shall obtain Employers' Liability Insurance with limits of not less than:

\$5,000,000 Bodily Injury by Accident  
\$5,000,000 Bodily Injury by Disease, policy limits  
\$5,000,000 Bodily Injury by Disease, each employee

Coverage shall be maintained throughout the entire term of the contract.

Coverage shall be provided by a company or companies authorized to transact business in the state of Florida and the company or companies must maintain a minimum rating of A-VI, as assigned by the A.M. Best Company.

If the Contractor has been approved by the Florida's Department of Labor, as an authorized self-insurer, the City shall recognize and honor the Contractor's status. The Contractor may be required to submit a Letter of Authorization issued by the Department of Labor and a Certificate of Insurance, providing details on the Contractor's Excess Insurance Program.

If the Contractor participates in a self-insurance fund, a Certificate of Insurance will be required. In addition, the Contractor may be required to submit updated financial statements from the fund upon request from the City.

**WORKERS' COMPENSATION  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND  
\_\_\_\_\_**

Recognizing that the work governed by this contract involves Maritime Operations, the Contractor's Workers' Compensation Insurance Policy shall include coverage for claims subject to the Federal Jones Act (46 U.S.C.A. subsection 688) with limits not less than those specified for Employer's Liability.

The Contractor shall be permitted to provide Jones Act Coverage through a separate Protection and Indemnity Policy, in so far as the coverage provided is no less restrictive than would have been provided by a Workers' Compensation policy.

**WCJA**

**WORKERS' COMPENSATION  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

\_\_\_\_\_

Recognizing that the work governed by this contract exposes the Contractor's employees to work subject to the United States Longshoremen and Harbor Workers (USL&H) Act (33 USC sections 901-950), the Contractor's Workers' Compensation Insurance policy shall include USL&H coverage with limits not less than those specified for Employers' Liability.

**WCUSLH**

**WATER CRAFT LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall obtain Water Craft Liability Insurance with terms no less restrictive than those found in the standard "American Institute Hull Clauses" (June 2, 1977 edition). Coverage shall be maintained throughout the life of the contract and include, as a minimum:

- Injury (including death) to any Person
- Damage to Fixed or Movable Objects
- Costs Associated with the Removal of Wrecked Vessels
- Contractual Liability with Respect to this Contract

If the policy obtained states that coverage applies for the "Acts or Omissions of a Vessel", it shall be endorsed to provide coverage for the legal liability of the shipowner.

The minimum limits acceptable shall be:

\$500,000 Combined Single Limit (CSL)

Coverage provided by a Protection and Indemnity Club (P&I) shall be subject to the approval of the City.

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**WATER CRAFT LIABILITY  
INSURANCE REQUIREMENTS  
FOR  
CONTRACT \_\_\_\_\_**

**BETWEEN  
CITY OF HOLLYWOOD, FLORIDA  
AND**

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Prior to the commencement of work governed by this contract, the Contractor shall obtain Water Craft Liability Insurance with terms no less restrictive than those found in the standard "American Institute Hull Clauses" (June 2, 1977 edition). Coverage shall be maintained throughout the life of the contract and include, as a minimum:

- Injury (including death) to any Person
- Damage to Fixed or Movable Objects
- Costs Associated with the Removal of Wrecked Vessels
- Contractual Liability with Respect to this Contract

If the policy obtained states that coverage applies for the "Acts or Omissions of a Vessel", it shall be endorsed to provide coverage for the legal liability of the shipowner.

The minimum limits acceptable shall be:

\$1 Million Combined Single Limit (CSL)

Coverage provided by a Protection and Indemnity Club (P&I) shall be subject to the approval of the City.

The City of Hollywood shall be named as Additional Insured on all policies issued to satisfy the above requirements.

**WL2  
CITY OF HOLLYWOOD, FLORIDA**



**RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**Indemnification and Hold Harmless  
for  
Construction Contractors and Subcontractors**

The Contractor shall indemnify and hold harmless the CITY, its officers and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the Contractor and persons employed or utilized by the Contractor in the performance of this Contract. These provisions shall survive the expiration or earlier termination of this Contract. Nothing in this contract shall be construed in any way to affect the sovereign immunity of the CITY or the rights of the CITY as set forth in Florida Statutes 768.28, as amended from time to time.

In the event the completion of the project (to include the work of others) is delayed or suspended as a result of the Contractor's failure to purchase or maintain the required insurance, the Contractor shall be liable to the CITY for any and all increased expenses incurred by the CITY resulting from such delay.

The extent of liability is in no way limited to, reduced, or lessened by the insurance requirements contained elsewhere within this agreement.

**CITY OF HOLLYWOOD, FLORIDA  
RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**Indemnification and Hold Harmless  
for  
Service Contractors and Subcontractors**

The Contractor covenants and agrees to indemnify, defend, and hold harmless the City of Hollywood, its officers, agents, and employees from an and all claims for bodily injury (including death), personal injury, and property damage (including property owned by the City of Hollywood) and any other losses, damages, and expenses (including attorney's fees) which arise out of, in connection with, or by reason of services provided by the Contractor or any of its Subcontractor(s) in any tier, occasioned by the negligence, errors, or other wrongful act or omission of the Contractor or its Subcontractor(s) in any tier, their employees, or agents.

In the event the completion of the project (to include the work of others) is delayed or suspended as a result of the Contractor's failure to purchase or maintain the required insurance, the Contractor shall be liable to the CITY for any and all increased expenses incurred by the CITY resulting from such delay.

The extent of liability is in no way limited to, reduced, or lessened by the insurance requirements contained elsewhere within this agreement.

**CITY OF HOLLYWOOD, FLORIDA  
RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**WAIVER OF INSURANCE REQUIREMENTS**

There will be times when it will be necessary, or in the best interest of the City, to deviate from the standard insurance requirements specified within this manual. Recognizing this potential, and acting on the advice of the City Attorney, City of Hollywood has granted authorization to Risk Management to waive and modify various insurance provisions.

Specifically excluded from this authorization is the right to waive:

- **The City as being named as an Additional Insured** - If a letter from the Insurance Company (not the Agent) is presented, stating that they are unable or unwilling to name the City as an Additional Insured, Risk Management has been granted the authority to waive this provision.

and

- **The Indemnification and Hold Harmless provisions**

Waiving of insurance provisions could expose the City to economic loss. For this reason, every attempt should be made to obtain the standard insurance requirements. If a waiver or a modification is desired, a **Request for Waiver of Insurance Requirements** form should be completed and routed to Risk Management for consideration and negotiation as soon as possible.

The form will be returned, either approved or disapproved, to the City Attorney who will submit the Waiver with the other contract documents for execution by the Clerk of the Courts.

Should Risk Management deny the Waiver Request, the other party may file an appeal with the City Administrator or the, who retains the final decision making authority.

**CITY OF HOLLYWOOD, FLORIDA**

**Request For Waiver  
of  
Insurance Requirements**

It is requested that the insurance requirements, as specified in the City's Schedule of Insurance Requirements, be waived or modified on the following contract.

Contractor: \_\_\_\_\_

Contract for: \_\_\_\_\_

Address of Contractor: \_\_\_\_\_

Phone: \_\_\_\_\_

Scope of Work: \_\_\_\_\_

Reason for Waiver: \_\_\_\_\_

Policies Waiver  
will apply to: \_\_\_\_\_

Signature of Contractor: \_\_\_\_\_

Approved \_\_\_\_\_ Not Approved \_\_\_\_\_

Risk Management \_\_\_\_\_

Date \_\_\_\_\_

**RISK MANAGEMENT  
POLICY AND PROCEDURES  
CONTRACT ADMINISTRATION  
MANUAL**

**Glossary**

**Workers' Compensation and Employers' Liability Insurance** provides coverage for employees who suffer an on-the-job injury. Nearly all employers in the State of Florida are required, by statute, to purchase Workers' Compensation. Fines and penalties can be levied upon any firm that fails to comply with the law. **More important, the City can be held responsible for the benefits owed to an employee of a contractor or subcontractor if they fail to maintain Workers' Compensation insurance.** Since the City self-insures its workers' compensation exposure, the assumption of another firm's claims could have serious economic impact on the City's budget.

Workers' Compensation Insurance pays for the medical expenses of employees that suffer a job related injury. In addition, the injured employee is entitled to a portion (usually 66%) of his pre-injury wage, subject to a maximum established by the State. Normally, the injury must prevent the employee from working for a period of fourteen days before he can collect any lost wages. A standard Workers' Compensation policy does not have a specific limit and indicates that all statutory benefits will be paid. With few exceptions, benefits are paid without regard to fault and the employer has limited defenses available which will permit a denial of a claim. In return for this right, the employee waives his right to sue his employer under tort (negligence). This is commonly referred to as the "Sole Remedy Provision".

Since the coverage under a Workers' Compensation policy is so broad, most job related injuries are covered under this policy. Occasionally, coverage may not respond to the claim or the employee is successful in circumventing the Sole Remedy Provision. To protect the employer for such cases, most Workers' Compensation policies contain a separate section entitled "**Employers' Liability**". Unlike Compensation coverage, which has no specified limits, Employers' Liability coverage contains a per accident limit and a total policy limit. In addition, a separate limit for disease related claims often applies on a per employee basis.

**General Liability Insurance** is designed to protect a firm from third party claims for bodily injury and property damage which arise out of the operations of the Organization. Third parties may be members of the public, another Contractor, or the City itself. Limits are usually provided on a per occurrence (accident) basis with a separate annual limit for all occurrences.

There are two broad categories of General Liability Insurance. The first is offered on a "**Claims Made Basis**" and the second is offered on an "**Occurrence Basis**". A Claims Made policy requires that the claim be reported to the insurer during the policy period while an Occurrence policy will respond to an accident that took place during the policy term regardless of when the actual claim was made.

**Normally, the City prefers that all General Liability Insurance be provided on an Occurrence Basis. Risk Management should be consulted to assist in the establishment of verification procedures whenever a Contractor provides a Claims Made policy.**

Another concern that deserves further discussion is **Contractual Liability**. Some General Liability policies exclude or limit coverage for liabilities assumed under contract. Unless Contractual Liability is provided, coverage for the City may not be available.

**Additional Insured** is a method of allowing the City to have direct access to the Contractor's insurer in the event they are included in a law suit arising out of the performance of the contract. The City will generally require that they be added as an Additional Insured on all policies except Workers' Compensation.

**Vehicle Liability Insurance** provides protection for vehicle related claims which are normally excluded from coverage under a General Liability policy. If automobiles will be used in conjunction with the project, Vehicle Liability Insurance will be required.

Limits can be provided in two ways. **Combined Single Limits (CSL)** furnish a single amount of coverage for claims regardless whether they are for bodily injury or property damage. **Split Limits** furnish separate amounts for bodily injury claims and property damage claims. The City prefers CSL.

**Umbrella Insurance** (Excess Liability Coverage), while not specifically included in the required coverages, is a type of insurance purchased by a firm in an effort to increase the limits of liability on their General and Vehicle Liability coverages. It often increases the Employers Liability limits as well. Frequently an Organization needs or desires higher limits than are traditionally available on primary insurance policies. Umbrella or Excess Liability Insurance fills this void.

**Professional Liability** provides liability coverage for claims arising out of the furnishing, or the failure to furnish professional services. Such claims are normally excluded from General Liability Insurance.

**Miscellaneous Other Coverages** contained within this Manual, and not addressed above, can be discussed with Risk Management and further explanations can be obtained if questions or problems arise.

**Risk Management** is a process designed to reduce losses and minimize the adverse effects of losses that do occur. Risk Management can be viewed in two dimensions: a decision process and a management process.

Risk Management viewed as a decision process includes:

- The identification of exposure to loss;
- Evaluating the potential impact of a loss;
- Reviewing alternative techniques for handling the loss;
- Selecting the most appropriate technique; and
- Monitoring the results and making adjustments where needed.

Risk Management viewed as a management process entails four basic functions:

- Planning what must be done to protect the City against the adverse effects of accidental losses;
- Organizing personnel and other resources to carry out the results of the planning;
- Motivate personnel throughout the City to accomplish its goals; and
- Monitor the results of the program, making adjustments where needed.