



## **CITY OF DUNWOODY**

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### **MEMORANDUM**

**To:** Mayor and City Council  
**From:** Chris Pike, Finance Director  
**Date:** October 12, 2009  
**Subject:** **Purchasing Policy Ordinance**

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#### **ITEM DESCRIPTION**

Second Read: Ordinance 2009-09-45 to adopt the City of Dunwoody Purchasing Policy

#### **BACKGROUND**

The existing policy does not adequately address the various procurement options available to the City and the processes associated with those processes. The policy contains a significant amount of typographical and grammatical errors, does not adequately specify the various requirements outlined in the City Charter, does not properly define key terms used throughout the policy, and requires disputes be resolved in Fulton County Superior Court even though Dekalb should/would have jurisdiction.

The proposed policy is significantly more detailed and provides several competitive procurement options to the City. Thresholds were not changed and maintain the current \$50,000 requirement for public bidding, RFP's, etc. The flow, aesthetics, and grammar throughout the document have been cleaned. The proposed policy reflects all the Charter's purchasing requirements. The proposed policy corrects the jurisdiction for disputes to be handled in Dekalb.

#### **ISSUES**

This version was edited to include additional sustainability provisions requested by Community Development. Those changes can be found on Page 17 of the proposed policy.

#### **ALTERNATIVES**

The Council could choose to line-item-edit the proposed document and approve an alternative document.

#### **RECOMMENDED ACTION**

It is respectfully requested that Council approve to accept Staff's recommendation of adopting the City's Purchasing Policy.

**ORDINANCE 2009-09-45**

**AN ORDINANCE TO ADOPT THE POLICY RELATING TO THE PROCUREMENT  
PROCESS, AS A COMPONENT OF THE FINANCIAL MANAGEMENT PROGRAM  
FOR THE CITY OF DUNWOODY, GA; TO PROVIDE FOR GUIDANCE IN  
ADMINISTERING THE POLICY; AND FOR OTHER PURPOSES**

**WHEREAS,** it is necessary, from time to time, to establish policies and procedures consistent with the administration of a municipal government in alignment with federal, state, and local regulations; and

**WHEREAS,** the Director of Finance in conjunction with the City Manager is comprehensively developing the Financial Management Program, consisting of accounting, auditing, financial reporting, budgetary, capital assets, cash and investment management, debt management, expenditures/expenses, grant management, purchasing, revenue administration, and travel and meal expenditures policies in order to provide guidance and direction to City officials and employees, to establish standard policies for recurring matters, to establish strong internal controls and legal compliance, and to provide for an efficient and effective means to operate the government; and

**WHEREAS,** upon adoption, staff will incorporate the above policy into the Financial Management Program, and into the City's daily operations to effectuate the management of finances and operations; and

**WHEREAS,** the City intends to utilize this policy and procedures in all applications which warrant such oversight.

**NOW, THEREFORE, BE IT ORDAINED** that the purchasing policy relating to the Financial Management Program is hereby adopted and approved; and is attached hereto as if fully set forth herein; and

**BE IT FURTHER ORDAINED** that staff is hereby directed to develop operating procedures and practices consistent with the nature and scope of the policy attached hereto; and

**BE IT FURTHER ORDAINED** that this policy is effective immediately.

**SO ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DUNWOODY, GEORGIA** this the 12<sup>th</sup> day of October, 2009.

Approved:

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Ken Wright, Mayor

STATE OF GEORGIA  
CITY OF DUNWOODY

Attest:

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Sharon Lowery, City Clerk  
Seal

Approved as to Form and Content

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Brian Anderson, City Attorney



**CITY OF DUNWOODY**  
**FINANCIAL MANAGEMENT POLICIES**

*PURCHASING POLICIES*



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**TABLE OF CONTENTS**

I.	PURPOSE	2
II.	SCOPE	3
III.	DEFINITIONS	4
IV.	ETHICS IN PROCUREMENT	10
V.	RESPONSIBILITY	14
	A. Purchasing Agent	
	B. Using Department/Division	
VI.	ENVIRONMENTALLY PREFERABLE GOODS AND SERVICES	17
VII.	COMPETITIVE PROCUREMENTS	18
	A. Request for Quotations	
	B. Invitations to Bid	
	C. Request for Proposals	
	D. Request for Qualifications	
	E. Invitations to Negotiate	
	F. Multi-step Solicitations	
	G. Online Reverse Auction	
	H. Performance Guarantee	
	I. Approval of Awards and Recommendations	
	J. Forms	
VIII.	NON-COMPETITIVE PROCUREMENTS	26
	A. Sole Source Procurement	
	B. Single Source Procurement	
	C. Direct Negotiation	
	D. Emergency Procurement	
	E. Costs Under the Competitive Threshold	
	F. Direct Negotiation	
	G. Performance Guarantee	
	H. Approval of Awards and Recommendations	
	I. Forms	
IX.	GENERAL PROCEDURES AND APPROVAL AUTHORIZATIONS	29
X.	PROPERTY DISPOSAL	32
XI.	PAYMENT REQUESTS	33



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## **PURCHASING POLICY**

### **I. Purpose**

The purpose of this policy is to state the City's position regarding the purchasing responsibility and authority of non-construction Goods and Services. This document will clarify purchasing functions and outline purchasing policies, as well as describe departmental relationships, responsibilities and participation in the procurement cycle. This policy will provide control functions, assure proper record keeping and confirm purchases in writing to allow the City to meet the following goals:

- A. Maintain at all times and under all conditions a continuous supply of Goods and Services necessary for the operation of the City;
- B. Encourage and promote fair and equal opportunity for all persons doing, or seeking to do, business with the City;
- C. Safeguard the quality and integrity of the City's procurement process;
- D. Ensure compliance with laws and regulations pertaining to the procurement of Goods and Services;
- E. Manage procurement and inventories of purchased Goods to meet the use requirements of City departments at the most advantageous cost to the City;
- F. Administer procurement contracts and contract amendments;
- G. Properly dispose of all material and equipment declared to be surplus or obsolete; and
- H. Ensure the City provides quality service to our citizens and support the largest economic engine in the Southeast by planning in a careful and thoughtful manner.

In addition, this policy is to set a standard of environmentally preferable procurement and demonstrate the City's commitment to environmental, economic, and social stewardship. The City of Dunwoody has a unique opportunity to further expand its leadership in the area of environmentally preferable purchasing, and through its actions, elicit changes in the marketplace. By further incorporating environmental considerations into public purchasing, the City of Dunwoody will positively impact human health and the environment, remove unnecessary hazards from its operations, reduce costs and liabilities, and improve the environmental quality of the region. This policy will guide the City's efforts in procuring environmentally preferable Goods and Services.

The philosophy behind this policy is one of separating the need for Goods and Services from the function of negotiation and executing the necessary contractual purchase agreement.

The Purchasing Policy outlined herein shall be used in conjunction with the Procurement Card Procedure Manual.



## **II. Scope**

The scope of this purchasing policy covers the procurement of most Goods and Services for non-construction purposes without regard to the past method by which the material or service has been or is customarily procured. The policy covers all contractual and purchase agreements between the City of Dunwoody and another Person. The procurement function includes the initial agreement/purchase, changes and/or re-negotiations. This policy establishes the specific responsibility and authority of the procurement of materials and services.

As part of the audit process, the internal controls and accounting processes outsourced municipal services Vendors will be evaluated and a measure of assurance given as a requirement of completion of the City's annual audit. The staff of outsourced municipal services Vendors assigned to work at City of Dunwoody City offices and perform purchasing activities on behalf of the City of Dunwoody is not exempt from the City's adopted Purchasing Policy.

The provisions of this policy do not apply to procurements for the following:

- A. Public works construction contracts to the extent governed by O.C.G.A. §36-91-1 et seq.
- B. Services and construction whose procurement falls under a conflicting federal or Georgia statute;
- C. Land, artistic work, or other good whose inherent nature is unique and cannot be competitively compared to other goods within its class;
- D. Employee Benefits and health related services procured through a quotation and negotiating process conducted by an expert in the field, or to maintain continuity of employee-health records;
- E. Travel, entertainment, or other expenditures covered by another City policy;
- F. Insurance procured through a negotiating process;
- G. Items or services procured for resale or to generate a revenue;
- H. Advertising;
- I. Subscriptions and dues established during the budget process; and
- J. Utilities.



### **III. Definitions**

When used in this policy, the following words, terms and phrases, and their derivations, shall be the meaning ascribed to them in this section, except where the context clearly indicates a different meaning,

- A. **ADDENDUM** means a change, clarification or correction in the Solicitation Documents, prior to the award of a Contract.
- B. **AMENDMENT** means an agreed upon addition to, deletion from, correction or modification of a Contract.
- C. **ANNUAL CONTRACT** means an agreement or Contract, typically for a specified duration, between a supplier and the City, to furnish Goods or Services usually of an indefinite quantity and delivery schedule, at unit prices provided for under the terms of the Contract. Also known as a term contract, annual agreement or requirements contract.
- D. **AGENT** means an Official, Employee, contracted or subcontracted Person who is authorized to act on behalf of the City of Dunwoody and represent their interests.
- E. **APPEAL** means a specific written objection by an interested Person to a Request for Qualifications, a Request for Quotations, an Invitation for Bid, an Invitation to Negotiate, a Request for proposal, or an award or proposed award of a Contract, with the intention of receiving a remedial result.
- F. **AVAILABLE LOCALLY** means that one or more Persons within the City or immediate surrounding areas are able to provide Goods and Services in a timely manner, and in sufficient quantity and quality to meet a specific need.
- G. **BID / PROPOSAL BOND** means a form of bid security executed by the Bidder (or Proposer) as principal and by a Surety, to guarantee that the Bidder (or Proposer) will enter into a Contract within the time specified in the Invitation for Bid or Request for proposals, and will furnish the necessary bonds and insurance, and meet any other requirements of those documents.
- H. **BIDDER** means a person or entity submitting a bid or quote to the City for the supply of Goods or Services.
- I. **BUYING COOPERATIVE OR ALLIANCE** means a group of public entity purchasers organized for the purpose of creating contracts or pricing agreements in order to take advantage of group or quantity buying discounts or special pricing from which members of the group can benefit.





- J. CAPITAL EXPENDITURE ITEM is defined, established and modified from time to time within the Capital Assets Policies. Capital Expenditure Items generally have a normal life expectancy of three years or more, are a complete entity within themselves are distinguished from components, and require approvals as discussed in the Capital Asset Policies.
- K. CITY means the City of Dunwoody and, as the context warrants, those persons or bodies authorized to act on its behalf, including but not limited to the Council, Committees, and staff.
- L. CITY FINANCE DIRECTOR means the City Accountant, his agent, or the Chair of the City Finance Department, if such a department is in existence.
- M. COMPETITIVE AWARD means a procurement based upon the outcome of one of the competitive processes set forth in this Policy, where award is made based on the lowest quotation or Bid submitted by a responsible and responsive Bidder or to the most qualified or advantageous Proposer based on the qualitative and/or quantitative factors identified for the procurement. A Competitive Award can be made even if only a single bid or proposal has been received from a Bidder or Proposer who is determined to be responsible and responsive.
- N. CONSTRUCTION means the process of building, altering, improving or demolishing any public structure or building, or other public improvements of any kind to any public real property. The term "Construction" does not include the routine operation, repair and/or maintenance of existing structures, buildings or real property.
- O. CONTRACT means all types of City agreements for the purchase or disposal of Goods, Services, or Professional Services regardless of what they may be called, including contracts for a fixed price, cost plus a fixed fee, incentive contracts, and contracts providing for the issuance of job or task orders, leases, letter contracts and purchase orders. Contracts also include amendments, modifications and supplemental agreements with respect to any of the foregoing. Every Contract must be duly authorized and approved prior to execution.
- P. CONTINUING PURCHASE CONTRACT means a Contract procured under this policy with one or more Vendors based on general specifications and/or scope of work, for which award of specific scopes of work is intended periodically during the Contract term as the need arises. Pricing and/or rates may be defined in the original Contract or by Amendment at the time that specific scopes of work are awarded.
- Q. CONTRACT EXTENSION means an Amendment to a Contract that includes an increase in the term of a Contract, for which no options to renew the Contract beyond the current expiration date exist.

# City of Dunwoody Policies

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- R. CONTRACT RENEWAL means an exercise of an approved, existing option to increase the term of a Contract. Options to renew a Contract are often done in annual increments.
- S. EMPLOYEE means an individual drawing a salary or wage from the City whether on a full-time or part-time basis. The term shall encompass all members of the Council without regard to whether or not such individuals are compensated. A contracted third party shall be considered as an "employee" for the purposes of this Policy only.
- T. EMERGENCY PROCUREMENT means any procurement of Goods or Services in the context of an Emergency.
- U. EMERGENCY means a situation that occurs suddenly and unexpectedly and demands immediate action to prevent delays which may vitally affect the health, safety or welfare of the public or City Employees and affects the continuation of services to the citizens, and/or serious loss or injury to the City. Emergency shall also mean a condition, malfunction, or occurrence in which the immediate procurement of an item (i.e. Good, Services, or Professional Service) is essential to comply with regulatory requirements.
- V. ENVIRONMENTALLY PREFERABLE GOODS AND SERVICES means Goods and Services that have a lesser or reduced negative effect on human health and the environment when compared with competitive Goods and Services that serve the same purpose.
- W. GIFTS or FAVORS means anything of any service of value. Value shall be considered anything in excess of \$100.
- X. GOODS or COMMODITIES means supplies, apparatus, materials, equipment and other forms of tangible personal property used by a City department in the accomplishment of its responsibilities.
- Y. GOVERNING AUTHORITY means the City entity responsible for the Contract.
- Z. INVITATION TO BID (ITB) means all documents utilized for soliciting bids, including those attached or incorporated by reference. These include a scope of work and all contractual terms and conditions applicable to the procurement. Bids are requested when requirements are clearly defined, price is the major determining factor for award, and a formal sealed submittal is required.
- AA. INVITATION TO NEGOTIATE (ITN) means documents used for soliciting competitive proposals in which negotiation of price and other factors is to commence after receipt of proposals and prior to recommendation of award. This process may be used when the scope of work is complex or difficult to define, if strict comparison of Services or Goods required may be difficult because components are likely to vary among Proposers or in any situation when it is in the City's best interest to negotiate prior to recommendation of award to obtain the Services or Goods that best meet the City's needs, price and other factors being considered.



## City of Dunwoody Policies

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- BB. LATE BID/PROPOSAL means a Bid or proposal received after the time or date such bid or proposal was due, as stated in the Solicitation Documents.
- CC. LIFE CYCLE COST ASSESSMENT means the comprehensive accounting of the total cost of ownership, including initial costs, energy and operational costs, longevity and efficacy of service and disposal costs.
- DD. MULTIPLE AWARD SCHEDULE CONTRACT means a Contract based upon one solicitation awarded to two or more Vendors to supply Goods or Services.
- EE. NEGOTIATED AWARD means a procurement made as the result of negotiations between the City and a Supplier, such as a Sole Source Procurement or Single Source Procurement or another instance, including competitive Invitation to Negotiate, where a Contract award based on direct negotiations with a Supplier of Goods or Services is appropriate.
- FF. OFFICIAL means any elected or appointed person who holds office or serves in a position of public capacity.
- GG. ONLINE REVERSE AUCTION means a purchasing method wherein Bidders enter prices for items electronically, and their prices are displayed for other bidders to see with all Bidders given the opportunity to continually bid a lower price until the time period of the bid expires.
- HH. ORDINANCE means related Administration Ordinance in Chapter 2, Article 7 of the City's Municipal Code.
- II. PAYMENT TERMS means the established due date for payments by the City to pay an invoice. Absent any agreement otherwise stated, the City's payment term will be Net 30.
- JJ. PERFORMANCE BOND means a bond provided by a contractor/supplier in which a surety guarantees to the City that the Goods are delivered or the Services are performed in accordance with the Contract documents. A letter of credit issued by a financial institution that meets the City's requirements may, at the discretion of the City, be substituted for the performance bond.
- KK. PERSON means any business, entity, company, firm, individual, union, committee, club or other organization or group of individuals.
- LL. PRACTICABLE means satisfactory and within reason when considering price, performance, availability, compatibility with specified operation, and public safety.
- MM. PRE-QUALIFICATION means the part of a competitive procurement process in which the City determines, based on standards developed for a specified product or service, which interested Vendors meet those standards and are eligible for further consideration in the purchasing process.



- NN. **PRODUCT EVALUATION** means the evaluation of a product to help determine its usefulness in meeting the City requirement or specification.
- OO. **PROFESSIONAL SERVICES** means services rendered by an independent contracting individual or firm having expertise in a particular industry or subject matter due to specialized education, training, licensure or skill, and consisting primarily of advice reports, conclusions, recommendations or other outputs resulting from the time and effort of the service provider, as opposed to the acquisition of specific commodities, or of services not requiring any specialized education, licensing, training or skill (e.g. janitorial services). Professional Services include but are not limited to evaluations, consultations, management systems, management consulting, compiling statistical data, support of planning and operating activities, appraisal services, and research and development studies or reports.
- PP. **PROPOSER** means a Person submitting a proposal or qualifications to the City for the supply of Goods, Services, or Professional Services.
- QQ. **PURCHASE ORDER** means a document approved and issued by the Purchasing Agent or designee and accepted by the Vendor to obtain Goods, Commodities and Services.
- RR. **PURCHASING** is the process of securing materials, services, repairs, leases and rentals necessary for the operation and support of the City. The renewal, renegotiations and changes to Contracts, leases and agreements are functions of purchasing.
- SS. **PURCHASING AGENT** means the principal purchasing official of the City of Dunwoody pursuant to Chapter 2, Article 7 of the City's Municipal Code who is authorized and appointed to purchase a range of Goods, Services, or Professional Services on a routine basis.
- TT. **REQUEST FOR PROPOSALS (RFP)** means all documents utilized for soliciting proposals for Goods, Services, or Professional Services, including those attached or incorporated by reference. These include a scope of work and all contractual terms and conditions applicable to the procurement. This method is used when factors in addition to price are considered for award.
- UU. **REQUEST FOR QUALIFICATIONS (RQ)** means all documents utilized for soliciting qualifications for Goods, Services, or Professional Services.
- VV. **REQUEST FOR QUOTATIONS (RFQ)** means all documents utilized for soliciting quotations for Goods, Services, or Professional Services, in which award is made based on the lowest responsive and responsible quotation and in which the type or cost of the procurement does not require a more formal Bid or proposal process.

# City of Dunwoody

## Policies

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- WW. REQUISITION means an internal document, provided by a department to the Purchasing Agent that contains the fund source, approvals, descriptions, quantities and other information about the Goods, Services, or Professional Services in order to proceed with the procurement. The Requisition becomes valid when properly completed and approved.
- XX. RESPONSIBLE BIDDER OR PROPOSER means a Person, who, in the exclusive judgment of the City, (a) has the capability in all respects to fully perform the Contract requirements; and (b) the integrity, experience, qualification, and reliability which assures good faith performance.
- YY. RESPONSIVE BIDDER OR PROPOSER means a Person, who, in the exclusive judgment of the City, has submitted a bid or proposal that conforms in all material respects to the Solicitation Documents.
- ZZ. SERVICES mean any performance of effort or labor, for which the City has contracted other than Professional Services or services classified as construction. Services include, but are not limited to, janitorial, landscaping, and street striping.
- AAA. SHORTLISTING means the part of a competitive procurement process in which the City determines, based on criteria developed for a specified Good, Service, or Professional Service which of the interested Vendors are the best qualified to be eligible for further consideration in the purchasing process.
- BBB. SINGLE-SOURCE PROCUREMENT means identifying and using, without first completing a competitive process, one source for Goods or Services among others in a competitive marketplace, which, for justifiable reasons, is found to be most advantageous for the purpose of fulfilling a given Purchasing need of the City.
- CCC. SOLE-SOURCE PROCUREMENT means identifying and using, without first completing a competitive process, one source for Goods or Services, when that source is the only one available that can fulfill a given Purchasing need of the City.
- DDD. SOLICITATION DOCUMENTS means an Invitation for Bids, Request for proposals, Request for Qualifications, Request for Quotations, or an Invitation to Negotiate including all of the associated forms and documents of each solicitation, or any other types of documents used by the City to procure Goods, Services, or Professional Services.
- EEE. SPECIFICATION OR SCOPE OF WORK means any description of the physical or functional characteristics, or of the nature of Goods, Services, or Professional Services. Specifications or Scope of Work may include any function and other criteria that will be required to perform the work and a description of any requirement for inspection, testing, or delivery.
- FFF. SUPPLIER, MERCHANT OR VENDOR means a Person currently supplying or in the business of supplying Goods, Services, or Professional Services.



- GGG. SURETY means an organization who, for a consideration, promises in writing to make good the debt or default of another organization. The Surety must be satisfactory to the City and licensed to do business in Georgia.
- HHH. THE USING DEPARTMENT/DIVISION (User) is defined as the department which has the authority and responsibility for determining the need for an item or service, its related specifications, and need date. The User is responsible for funding the need and advising Purchasing of the approved funding and the specific budget account number. The User is responsible for authorizing the purchases of all materials, services, repairs, leases and rentals in which the negotiated price exceeds the approved funding.

#### **IV. Ethics in Procurement**

Each person involved in the procurement process must adhere to a high standard of ethics. Each will be bound by the ethics provision in the Code of Conduct as adopted by the city of Dunwoody.

##### **A. Employee Conflict of Interest**

It shall be unethical for any City of Dunwoody Employee, Official or Agent to transact any business or participate directly or indirectly in a procurement Contract when the Employee or Official knows that:

1. The Employee, Official or Agent or any member of the Employee, Official or Agent's immediate family has a substantial interest or financial interest pertaining to the procurement Contract, except that the purchase of Goods and Services from businesses which a member of the City Council or other City of Dunwoody Employee has a financial interest is authorized as per O.C.G.A. § 36-1-14, or the procurement Contract is awarded pursuant to O.C.G.A. § 45-10-22 and § 45-10-24, or the transaction is excepted from said restrictions by O.C.G.A. § 45-10-25, interpreting such statutes as if they were applicable to a municipality.
2. Any other person, business or organization with whom the Employee, Official, Agent or any member of an Employee, Official or Agent's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement Contract.
3. An Employee, Official, Agent or any member of an Employee, Official or Agent's immediate family who holds a substantial interest or financial interest in a disclosed blind trust shall not be deemed to have a conflict of interest with regard to matters pertaining to that substantial interest or financial interest.

All Vendors shall sign a disclosure document indicating any connection to or with a City of Dunwoody Employee or Elected Official.





**B. Gratuities, Rebates or Kickbacks**

1. Gratuities. It shall be unethical for any person to offer, give, or agree to give any City of Dunwoody Employee, Official or Agent, or for any City of Dunwoody Employee, Official or Agent to solicit, demand, accept, or agree to accept from another person, a gratuity, rebate or an offer of employment in connection with any decision, approval, disapproval, recommendation or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a Contract or subcontract, or to any solicitation or proposal therefore in any manner inconsistent with the State of Georgia's Department of Administrative Services Gratuity Policy. Rebates normally or routinely offered to all customers for the purchase of their Goods and Services are acceptable and are the property of the City of Dunwoody.

Nothing in this section shall preclude an Official, Employee or Agent of the City from attending seminars, courses, lectures, briefings, or similar functions at any Vendor's facility or at any other place if any such seminar, course, lecture, briefing, or similar function is for the purpose of furnishing the Official, Employee, or Agent with knowledge and information relative to the Vendor's products or services and is one which the City Manager determines would be of benefit to the City.

In connection with any such seminar, course, lecture, briefing, or similar function, nothing shall preclude the Official, Employee, or Agent from receiving meals from a Vendor. Nothing in this section shall preclude the Official, Employee, or Agent from receiving educational materials and business related items of not more than nominal value from a Vendor.

Nothing contained in this section shall permit the Official, Employee, or Agent to accept free travel from the Vendor outside the state of Georgia or free lodging in or out of the state of Georgia.

2. Kickbacks and Rebates. It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a Contract to the prime contractor or higher tier subcontractor, or any person associated therewith, as an inducement for the award of a subcontract or order.
3. Contract Clause. The prohibition against gratuities, rebates and kickbacks prescribed in this Section shall be conspicuously set forth in every Contract and Solicitation Documents therefore.



4. Courtesies. Employees may accept for themselves and members of their families common courtesies usually associated with customary business practices so long as a strict standard is enforced with respect to gifts, services, discounts, entertainment or consideration of any kind from suppliers of merchandise, services, supplies, etc. to the City of Dunwoody. An example of a common courtesy is free pens or notepads with the Vendor's name on them.
5. Cash. It is never permissible for a City of Dunwoody Official, Employee or Agent to accept a gift in cash, cash equivalents, stocks or other forms of marketable securities of any amount.

C. Prohibition Against Contingent Fees

It shall be unethical for a person to be retained, or to retain a person, to solicit or secure a City of Dunwoody Contract upon any agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

D. Use of Confidential Information

It shall be unethical for any City of Dunwoody Employee, Official or Agent knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.

E. Unauthorized Purchases

No purchases of Goods and Services shall be made in the name of the City of Dunwoody or one of its departments, except such as is required for official use by the City of Dunwoody or one of its departments. Purchases in the name of the City of Dunwoody or a department for personal use by an individual or for other than official use are prohibited, and no City of Dunwoody funds will be expended or advanced therefore.

F. Penalties and Sanctions

1. Legal or disciplinary action by City Council. The City Council may take appropriate legal and/or disciplinary actions pursuant to the City's Ethics Ordinance against any City of Dunwoody Official or Person in violation of these ethical standards for any Employee under their direct supervision and control subject to the appropriate appeals process of the City of Dunwoody.
2. Legal or disciplinary action by City of Dunwoody City Manager. The City of Dunwoody City Manager may take authorized and appropriate legal and/or disciplinary actions, including dismissal, against any City of Dunwoody Employee.





3. Administrative penalties for Employees. The City of Dunwoody City Manager may impose any one or more of the following penalties or sanctions on a City of Dunwoody Employee for violations of the ethical standards in this Section as appropriate to the situation, subject to the Personnel Manual or other appropriate appeals procedures:
  - a) Oral or written warnings or reprimands.
  - b) Suspensions with or without pay for specified periods of time.
  - c) Termination of employment.
4. Administrative penalties for outside contractors/Vendors. The City of Dunwoody may impose any one or more of the following penalties or sanctions on a Vendor or other Person or organization for violations of these ethical standards:
  - a) Written warnings or reprimands.
  - b) Termination of Contracts.
  - c) Debarment or suspension.

G. Disclaimer of Responsibility for Improper Purchasing

The City may disclaim responsibility and liability for any purchase, expenditure, or agreement for expenditure arising from a procurement made in its name, or in the name of any governmental body under its authority, by an unauthorized person or any person acting outside this Policy or the authorization or delegation as provided in this Policy. The expense of any such disclaimed transaction will become the personal liability of the individual who acted improperly.

H. Vendor Contact During Open Solicitations

Persons seeking an award of a City of Dunwoody contract may not initiate or continue any verbal or written communications regarding a solicitation with any Official, Employee or other City representative other than the Purchasing Agent named in the solicitation between the date of the issuance of the solicitation and the date of the final contract award. The City Manager or designee will review violations. If determined that such communication has compromised the competitive process, the offer submitted by the individual, firm or business may be disqualified from consideration for award.



**V. Responsibility**

**A. Purchasing Agent**

The City Council may appoint the City Manager, or said Agent appointed by the City Manager, to serve as the Purchasing Agent for the City, or the Council may contract with an independent third party to serve as the Purchasing Agent (per City Code Chapter 2, Article 7, Section 2).

**DUTIES:** The Purchasing Agent shall have the following duties and powers:

1. Arrange and negotiate the purchase or Contract for all equipment, supplies and contractual services for the City or any using agency; arrange and negotiate for the sale or otherwise dispose of all surplus equipment and supplies or real estate of the City or any using agency.
2. Maintain a perpetual or periodic inventory record of all materials, supplies, software, or equipment stored in city storerooms, warehouses, and elsewhere, including monthly reports used to provide monthly reports to the Finance Director that include:
  - a) Titles of all request for proposals (RFPs) and the method of source selections to be used.
  - b) Contracts authorized by the City Council, the method of source selection used and the total dollar amount.
  - c) Emergency Contracts awarded pursuant to Municipal Code Chapter 2, Article 7.
  - d) Change orders or Contract modifications authorized by the Council and the dollar amount and reason.
  - e) Change orders or Contract modifications authorized by the Purchasing Agent and the dollar amount and reason.
  - f) Explanation of any changes, and the costs involved, in the scope of services made between the time a Contract is awarded and the time that the Contract is authorized by the City Council.
  - g) Documentation of the types, quantities, and dollar amounts of environmentally preferable Goods (including the percentage of post-consumer and total recovered material content) and Services purchased. The report shall also include dollar amounts of non-environmental or conventional Goods and Services, identify and discuss instances where this policy is waived or its requirements found impracticable, and highlight barriers to the procurement of environmentally preferable Goods and Services, if applicable.



3. Manage and supervise purchasing staff.
4. Control and supervise all City storerooms and warehouses.
5. Develop and maintain a purchasing policy and procedures manual which will be updated by City Manager (or their designee) periodically.
6. Establish guidelines, within the purchasing policy and procedures manual, governing the review and approval of specifications for procurement of Goods and Services based on recyclability, energy and water conservation, life cycle cost, and other environmental considerations.
7. Direct efforts to procure Goods and Services through advertisements of bids in the local legal organ as required by the City's Municipal Code and by State law.
8. Require bonds, insurance and other forms of protection for the City on the process of procuring Goods and Services for the City.
9. Terminate solicitations for bids for any Good(s) or Service(s) when, in the opinion of the Purchasing Agent, it is in the City's best interest to do so.
10. Reject any and all bids, when in the opinion of the Purchasing Agent it is in the City's best interest to do so.
11. Consult with the City Attorney if a contracting party breaches or is reasonably anticipated to breach its Contract with the City.
12. Assist in negotiating City Contracts, as directed. The City Council shall approve final Contracts and execute and bind the City to such agreements.
13. Advise the Finance Director and City Manager on the status of negotiations, as well as Contract provisions and their impacts on the City.
14. Make recommendations on Contract approval, rejection, amendment, renewal and cancellation.
15. Provide Contract administration and supervision of Contracts, as directed by the City Manager. Such tasks shall include, but not be limited to, monitoring Contract Amendments, obtaining applicable insurance certificates and monitoring applicable progress.
16. Plan and implement processes for the ongoing protection of the City's interests.



17. Recommend and implement policies and procedures to provide for compliance with laws related to bidding, Contracting and Purchasing as set forth in the State of Georgia Code and Regulations, by examining the applicable laws and developing procedures for bidding, Contracting and procurement processes.
18. Ensure all Contracts are reviewed by the City Attorney as required by Section 3.08 of the City Charter.
19. Ensure Council is formally notified as soon as reasonably possible of all upcoming and active competitive procurements.
20. Ensure all non-competitive procurements over \$50,000 have Council approval.

**B. Using Department/Division (User)**

1. **Determine Need:** The User is responsible for determining the need for a material or service and providing appropriate documentation & justification, including a purchase requisition.
2. **Determine Funding:** The User is responsible for providing proper funding. Specific budget account numbers must be on the purchase requisition.
3. **Determine Specifications:** The User is responsible for determining the quantity, quality, dimensions, duration and all other necessary specifications essential to the determination of what is to be procured. The specifications must, where applicable, conform to the approved City standards for identity and continuity.
4. **Purchase Requisition:** It is imperative that the User transmits its need to the Purchasing Agent. The Purchasing Agent can only purchase supplies and services on the basis of an approved and completed Requisition. A properly approved Requisition contains, as a minimum, the following information:
  - a) Complete description and specifications.
  - b) Quantity.
  - c) Need date (lead time of at least one week, must be allowed).
  - d) Estimated cost.
  - e) Freight.
  - f) Complete budget account number.



- g) Previous purchase information or quotation (if known).
  - h) Known or suggested Vendor(s).
  - i) Authorized approval of department head and division head.
  - j) Authorized approval from the Budget/Finance Department.
5. Acceptance of Procured Item or Service: The User is responsible for advising the Purchasing Office within 24 hours after receipt or within 48 hours if the items or services are found to be unsatisfactory. This is to be done in writing on a Receiving Report.

## VI. Environmentally Preferable Goods and Services

In determining which Goods and Services to purchase, the City shall procure Goods and Services which contain, whenever practicable, the highest percentage of post-consumer recovered material, the highest percentage of total recovered material available in the marketplace, and reduce waste in the manufacture and use of products and packaging purchased by the City.

In determining which Goods and Services to purchase, the City shall integrate environmental factors into the City's procurement decisions, when practicable. At a minimum, the City shall:

1. Purchase non-emergency fleet vehicles that provide the best available net reduction in vehicle fleet emissions, including but not limited to the purchase of alternative fueled and hybrid vehicles;
2. Consider purchasing lower emission emergency fleet vehicles with comparable specifications for performance, safety, and fuel availability during emergencies as conventionally-powered emergency fleet vehicles;
3. Purchase at least Energy Star rated equipment and appliances for use in local government facilities when practicable based upon considerations of Life Cycle Costs;
- ~~2.4.~~ Purchase water-saving products, including WaterSense labeled, whenever practicable, including but not limited to, high performance fixtures such as toilets (1.28 gallons per flush or less), urinals (0.5 gallons per flush or less), low-flow faucets (1.5 gallons per minute or less), aerators, and upgraded high-efficiency irrigation systems;
- ~~3.5.~~ Replace disposable with re-usable, recyclable, or compostable Goods;
- ~~4.6.~~ Consider Life Cycle Cost Assessment; and
- ~~5.7.~~ Evaluate, as appropriate, the environmental performance of Vendors in providing Goods and Services.

# City of Dunwoody Policies

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This analysis to determine environmentally preferable Goods and Services may include raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, disposal of products, or service delivery.

Specifically, factors that should be considered when determining that Goods or Service have environmentally preferable attributes include, but are not limited to:

1. Minimization of virgin material used in Goods or Service life cycle;
2. Maximization of recycled materials used in Goods or Service life cycle;
3. Life cycle economics of Goods and Services;
4. Reuse of existing Goods or materials in Goods or Service life cycle;
5. Recyclability, biodegradability and compostability of Goods;
6. Minimization of packaging;
7. Reduction of energy and fuel consumption;
8. Reduction of water consumption;
9. Toxicity reduction or elimination;
10. Durability and maintenance requirements; and
11. Ultimate disposal of the Goods.

## **VII. Competitive Procurements**

### **A. Request for Quotations**

Request for Quotations (RFQ) are prepared and issued with the goal of obtaining competitive responses.

Public notice is posted on the Purchasing Agent's Internet Web Page for all Requests for Quotations in which the value is expected to exceed \$50,000. Additional public notice may be provided for solicitations that, in the sole discretion of the City, are of the size, type, or dollar value that make additional public notice appropriate.



Quotations are opened by the Purchasing Agent at the location indicated and on or after the due date indicated in the Request for Quotations. A split or partial quotation may be awarded, if a Request for Quotations is for multiple Goods or Services, more than one Vendor provides a quotation that meets the specifications for the items, and a price comparison can be made between the items quoted. The award may be split between more than one Vendor by awarding to the lowest cost provider of each item or reasonable grouping of items if acquisition, delivery, and other requirements can be reasonably administered. A Split or Partial Quotation Award shall not be used under the following conditions:

- a) When the solicitation is for an integrated system and the split of the award between components or parts of that system would jeopardize performance; or
- b) If the item is part of a system and the performance of that system would be jeopardized if another brand was substituted.

Tie quotations are handled in the same way as tie bids.

**B. Invitation to Bids**

Invitation to Bids (IFB) are prepared and issued to prospective Bidders, with the goal of obtaining competitive responses.

Public notice (such as publication in a newspaper of general circulation or posting on the Purchasing Agent's Internet Web page) of the IFB must be given a minimum of fourteen (14) calendar days prior to the date set for bid opening, unless it can be demonstrated that an urgent requirement for Goods or Services exists, in which instance, the requirement for public notice may be reduced by the Purchasing Agent.

Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. All relevant information, including each Bid amount and Bidder's name, will be recorded on a summary sheet.

Split or partial bid awards may be awarded with the same guidelines and restrictions as those provided for split or partial quotation awards.

Tie Bids: In the event two or more identical bids are received, the following procedure will be used when the basis of award is low bid:

- a) To the extent permitted by law, a tie Bidder from a Person within the city limits of Dunwoody would be recommended to the appropriate approving authority for an award over one without an office in the City. A Person within the state of Georgia would be recommended to the appropriate approving authority for an award over one without an office in Georgia.





- b) If the procedures in (a) above does not result in an award, then, the tie Bidders will be contacted and advised of the tie and asked if they wish to reduce their bid in writing submitted in a sealed envelope to be opened at the time and place stated by City staff. If one or more of the tied Bidders agrees to participate, award will be made to the new low bid. If none of the tied Bidders agree to participate or if the new bids are tied, then City staff shall break the tie by following the procedures described below, as necessary.
- c) If the procedures in (a) and (b) above do not result in an award, then, to the extent permitted by law, a tie Bidder deemed in the City's sole discretion to provide the most environmentally preferable Goods would be recommended to the appropriate approving authority for an award over one deemed environmentally inferior.
- d) If the procedures above do not result in an award, then, the Purchasing Agent in the presence of two or more witnesses will flip a coin. Award will be recommended to the appropriate approving authority.

Correction or withdrawal of inadvertently erroneous bids is permitted up to the time of bid opening. After bid opening, no change in bid prices or other provisions is permitted; however, minor irregularities may be waived by the City. No bid may be withdrawn for a period of ninety (90) days after the time scheduled for bid opening, or as otherwise stated in the Invitation for Bids.

Late bids will be rejected and returned unopened.

Bids will be evaluated based on the evaluation factors set forth in the Invitation for Bid, which may include criteria to determine acceptability of Goods (for example, inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose). Criteria for the acceptability of Goods shall be used to determine whether particular Goods are responsive to the Invitation for Bids, and not to determine the relative desirability between acceptable Goods. The City reserves the right to waive any informalities or irregularities of bids, to request clarification of information submitted in any bid, to further negotiate with the Responsive and Responsible Bidder selected for Contract award, or to reject any or all bids for any reason whatsoever.

If no Responsive and Responsible Bids are received or all bids are rejected, the City may procure such Goods and Services by direct negotiation as indicated below in Non-Competitive Procurement of Goods and Services.

The Bid will be awarded, if an award is made, to the Responsible and Responsive Bidder offering the lowest price whose bid meets the requirements and criteria set forth in the Invitation for Bid. The Bid may require a Contract.





C. Request for Proposals

When the Purchasing Agent determines the use of an Invitation for Bids is not practical or not advantageous because of existing market conditions or the type of items required, the City may procure Goods, Services, or Professional Services through receipt of competitive sealed proposals. Competitive sealed proposals are solicited through the use of an RFP, with the goal of obtaining competitive responses.

Public notice of the RFP shall be given in the same manner as the procurement described in section VII, sub-section A of this policy.

Proposals shall be opened publicly by the Purchasing Agent, in the presence of one or more witnesses at the time and place designated in the RFP. A register of proposals is prepared that lists each Proposer's name. Interested persons shall have access to information regarding procurement transactions of the City of Dunwoody in accordance with City policy and the Georgia Open Records Act, O.C.G.A. §50-18-70 et seq.

All meetings of the City's Council are duly noticed public meetings and all documents submitted to the City as a part of or in connection with a Proposal may constitute public records under Georgia law regardless of any person's claim that proprietary or trade secret information is contained therein. By submission to the City, Proposers waive any declaration the entire response any solicitation to be proprietary information. The Proposer shall designate in the smallest increments possible, that part of the qualifications which is deemed to be proprietary. Proposals and all related correspondence are subject to the Georgia Open Records Act and may be provided to anyone properly requesting same, after contract award. The City cannot protect proprietary data submitted in vendor proposals unless provided for under the open records law. In the event the Proposer deems certain information to be exempt from the disclosure requirements, the Proposal must specify what content is considered exempt and cite the applicable provision of the law to support that assessment. In the event such information is requested under the open records law, the Proposer's assessment will be examined by the City Attorney who will make a determination. The decision to withhold or release the information will be at the City's sole discretion. Correction or withdrawal of inadvertently erroneous proposals is permitted up to the time of the opening of proposals. No proposal may be withdrawn for a period of ninety (90) days after the time scheduled for proposal opening, or as otherwise stated in the RFP.

Late proposals will be rejected and returned unopened.

The RFP will identify the criteria to be considered and evaluated as the basis of award.

Proposals submitted by Responsible and Responsive Proposers are evaluated by City staff based upon the criteria applicable to the RFP. All proposals (or the most acceptable proposals in the discretion of the committee evaluating proposals) will be ranked in order of their acceptability to the City, giving consideration to the criteria. The City has no obligation to award the Contract to the Proposer who proposes the lowest price.



The City reserves the right to waive any informalities or irregularities of proposals, to request clarification of information submitted in any proposal, to further negotiate with a Responsive and Responsible Proposer who has been selected for Contract award, or to reject any or all proposals for any reason whatsoever.

The Contract award will be awarded, if award is made, by the City to the Responsive and Responsible Proposer whose proposal is determined, in the City's exclusive discretion, to be the most advantageous to the City, taking into consideration price, qualifications, and other factors as indicated in the RFP. The RFP will contain the basis on which the award is to be made.

If no Responsive and Responsible proposals are received or all proposals are rejected, the City may procure such Goods, Services, and Professional Services by direct negotiation as indicated below in Non-Competitive Procurement of Goods and Services.

**D. Request for Qualifications**

Requests for Qualifications (RQ) may be used when it is determined to be in the City's best interest to evaluate the experience and qualifications of a Service provider, without regard to price or prior to considering price.

The procedure for soliciting, opening and evaluating statements of qualifications shall be the same as described herein for competitive sealed proposals. Service providers whose qualifications meet the criteria established in the Request for Qualifications, at the sole discretion of the City, may be considered for Contract award by participation in the completion of a multi-step solicitation, as described below. Alternatively, the City may, by Direct Negotiation, finalize terms with service providers who are selected for award based on qualifications. The City reserves the right to reject any or all responses for any reason. Clarification of information may be requested by the City.

**E. Invitation to Negotiate**

An Invitation to Negotiate (ITN) may be used when the City determines it is in its best interest to commence negotiation of price and other factors prior to recommendation of award, and it is approved by the City Manager. An ITN may be used for Goods or Services when the scope of work is complex or difficult to define, if strict comparison of Services or Goods required may be difficult because components are likely to vary among Proposers, or in any situation in which it is in the City's best interest to negotiate prior to recommendation of award to obtain the product that best meets the City's needs, price and other factors being considered.

The procedure for soliciting and opening initial responses to an Invitation to Negotiate (ITN) shall be the same as described herein for competitive, sealed proposals.



The ITN will identify the criteria to be considered during the evaluation of proposals. All Responsive and Responsible proposals submitted are evaluated based upon the criteria applicable to the ITN. Clarification of information submitted in the proposal may be requested. The City reserves the right to waive any informalities or irregularities of proposals, to request additional information from any Proposer, or to reject any or all responses for any reason whatsoever.

The City may, at its sole discretion, shortlist three or more firms, if possible, that are deemed to best meet the City's requirements, taking into consideration all criteria listed in the ITN, including price. The City may, at its sole discretion, ask for formal presentations from all of the Responsive and Responsible Proposers, or only from those firms that are Short-listed, if Short-listing is determined to be in the best interest of the City. Negotiations will be conducted and may take place in person or via telephonic with all of the Proposers or, if Short-listing occurs, with all of the Short-listed Proposers. Proposers that participate in the negotiations may be given an opportunity to submit their best and final offers.

The Contract Award will be awarded, if an award is made, by the City to the Responsive and Responsible Proposer whose proposal is determined to be the most advantageous to the City, taking into consideration price and other factors as indicated in the ITN. The City has no obligation to award the Contract to the Proposer that submits the lowest price; though justification should be documented.

F. Multi-step Solicitation

The City may initiate one of the multi-step solicitation processes described below when: (a) in the City's discretion, it is impractical to prepare an adequate or complete description of the Goods or Services desired (due to insufficient data, uncertain requirements, unfamiliar market options, etc.), (b) the City desires to identify a field of qualified Bidders, Proposers, Goods or Services, out of a broader field of Bidders, Proposers, Goods or Services, or (c) the City believes a multi-step process would best serve its purposes.

1. Consecutive Multi-Step Process:

- a) The City may request unpriced proposals or statements of qualifications to be evaluated based on the criteria in the RFP or the RQ for purposes of identifying one or more desirable or acceptable Goods, Services, or Professional Services or for purposes of identifying a field of at least three (if possible and available) qualified or most qualified Bidders or Proposers. The City may request demonstrations, samples, or may conduct interviews with Proposers to aid in the identification of desirable or acceptable Goods, Services, or Professional Services or in the identification of qualified or most qualified Bidders or Proposers. In the event the City requests demonstrations or samples, the City is not required to seek or permit demonstrations or samples of Goods or Services deemed by the City to be less desirable or acceptable than other Goods or Services for which proposals or statements of qualifications were received. In the event the City



conducts interviews with Proposers, the City is not required to interview any Proposer deemed by the City to be unqualified or less qualified than other Proposers.

- b) After identifying a field of most qualified Bidders or Proposers with the capability of providing the desirable or acceptable Goods, Services, or Professional Services, the City may either follow a Competitive Award solicitation process among the field of Vendors identified as having the capability to meet the City's requirements for the procurement or by direct negotiation as indicated below in Non-Competitive Procurement of Goods and Services.

2. Simultaneous Multi-Step Process:

- a) The City may request that priced proposals be submitted in two separate envelopes, with pricing information contained in one envelope and all other requested information contained in the other envelope. In such case, proposals will be evaluated in accordance with the requirements set forth in the RFP, initially without regard to price and without opening the envelope containing pricing information. Based on such evaluation, the City will establish a field of at least three (if possible and available) qualified or most qualified Proposers. The City may conduct interviews with Proposers to aid in the identification of qualified or most qualified Proposers. In the event the City conducts interviews with Proposers, the City is not required to interview any Proposers deemed by the City to be unqualified or less qualified than other Proposers.
- b) After establishing a field of qualified or most qualified Proposers, the City will open the pricing envelopes of only the qualified or most qualified Proposers, and evaluate such pricing information in the manner described in the RFP for purposes of recommending/making an award (e.g. most advantageous proposal, price and other factors considered or low price submitted by qualified Proposers). In the absence of specific instructions to the contrary in the RFP, pricing information will be evaluated together with all other information required by the RFP for purposes of selecting among the qualified field of Proposers the most advantageous proposal, price and other factors considered.

3. Multi-Step Process to Award Continuing Purchasing Contracts

- a) When it is in the best interest of the City to have pre-qualified, Continuing Purchasing Contracts because of the need to Provide quick-response, repetitive Services or a range of Services or Professional Services within a specific field of expertise, the City may use either a Consecutive or a Simultaneous Multi-Step Procurement Process to identify one or more Continuing Contractors. The purpose is to identify one or more Continuing Contractors that demonstrate the ability to perform a particular type of Service during a specified Contract period.



- b) Contract award - The multi-step solicitation shall specify the general types of Services required, the selection process to be used, and the selection criteria for award of the Continuing Contract(s).
- c) Award of a specific scope of work to a Continuing Contractor - During the term of the Continuing Contract(s), specific scopes of work may be developed and awarded to Continuing Contractor(s), by Amendment to such Continuing Contract(s), provided that the specific scope of work is consistent with the general types of Services upon which award of the Continuing Contract(s) was made.
- d) When there is more than one Continuing Contractor available to perform the specific scope of work defined, the process for award of the work is set forth below:
  - i. Work may be rotated during the Contract period between the Continuing Contractor(s) that were selected to perform the general type of Services required; or,
  - ii. Award may be made to the Continuing Contractor that is deemed, based on its original proposal, to be most advantageous to the City for the specific scope of work required, price and other factors being considered and without regard to rotation among selected contractors; or,
  - iii. Quotations, Bids or proposals may be requested from the pre-qualified Continuing Contractor(s) that were selected to perform the general type of Services or Professional Services required. The City may select the Continuing Contractor whose quotation, bid, or proposal is deemed to be most advantageous to the City to perform the specific scope of work required.

**G. Online Reverse Auction**

The City reserves the right to utilize this procurement method when advantageous. The process will be specified in the Solicitation Documents.

**H. Performance Guarantee**

A performance guarantee, such as a Performance Bond or Letter of Credit, may be required for any solicitation that includes Services to be performed after consultation with the City Manager, and others, as necessary.



I. Approval of Awards and Recommendations

Prior to the consummation of the purchase by the City of Goods, Services, or Professional Services, such purchase shall be approved by a person having approval authority over such purchase.

J. Forms

The Purchasing Agent shall provide and update all forms to procure Goods, Services, and Professional Services, as needed.

**VIII. Non-Competitive Procurements**

The provisions of this policy section shall apply to the procurement of Goods and Services, when competitive procurement is not practical, feasible, possible or desirable. Notwithstanding any other provision, any Contract or subcontract entered into by the City with any Person for the construction, reconstruction, or maintenance of all or part of a public road in the City, including but not limited to a Contract or subcontract for the purchase of materials, for the hiring of labor, for professional services, or for other things or services incident to such work, shall be entered into in accordance with O.C.G.A. § 32-4-114.

A. Sole Source Procurement

The City may acquire Goods, Services, or Professional Services pursuant to a Sole Source Procurement. Sole Source Procurement is available when Goods, Services, or Professional Services are limited to one source, or when they must be obtained from a specific manufacturers' dealer and valid competition among dealers does not exist. The User must provide the justification for the Sole Source Procurement to the Purchasing Agent after approved by the City Manager and Council.

B. Single Source Procurement

The City may acquire Goods and Services pursuant to a Single Source Procurement. A Single Source Procurement is a procurement made from one Person among others in a competitive market place which, for justifiable reasons, is found to be most advantageous for the purpose of fulfilling the given purchasing need. The User must provide the justification for the Single Source Procurement to the Purchasing Agent after approved by the City Manager and Council. The Purchasing Agent may elect to purchase particular brand name Goods or Services when the Goods or Services comprise a major brand system, program or service previously selected by the City and due to operational effectiveness, future enhancements or additions, or maintenance or storage of spare parts precludes the mixing of brands, manufacture, etc.





C. Direct Negotiation

Following the completion of a Competitive Award solicitation process above that fails to produce a responsible or responsive Bidder or Proposer, fails to produce a qualified respondent, or for which all submissions were rejected for any reason, the City may procure the Goods, Services, or Professional Services that were the subject of such failed solicitation by Direct Negotiation with any provider of such Goods or Services when issuing a revised solicitation is not recommended by the City Manager with concurrence from legal counsel.

Direct Negotiation will be completed by the Purchasing Agent, assisted as needed by the User and legal counsel.

D. Emergency Procurement

The City may acquire Goods, Services or Professional Services by directly negotiating award pursuant to an Emergency Procurement. Emergency purchasing situations occur when there exists an emergency constituting a threat to public health, safety or welfare or to the soundness and integrity of public property or to the delivery of essential services and where the diverse effects of such emergency may worsen materially with the passage of time.

It is understood that, from time to time, occasions arise at departments, which dictate immediate action to purchase items in order to prevent disruption of operations. Notwithstanding any other section of this policy, when the City Manager determines that an Emergency Situation exists, the Purchasing Agent may make or authorize others to make emergency procurements for Goods, Services, construction items, or Professional Services. The City Manager shall make such determination when there exists a threat to public health, welfare or safety under Emergency Situations. Such emergency procurements shall be made with as much competition as is practicable under the circumstances.

A written determination of the basis for the Emergency Situation and for the selection of the particular Person shall be included in the Contract file. As soon as practicable, a record of each emergency procurement shall be made and shall set forth the contractor's name, the amount and type of the Contract, a listing of the item procured under the Contract, and the identification number of the contract file.

If an Emergency Situation should arise after office hours which requires immediate action on the part of the agency involved for the protection of the best interest of the City or if a like situation arises on a weekend or holiday and when it is not possible or convenient to reach the Purchasing Agent, any purchase necessary shall be made by the official in charge of such agency, and such purchase reported to the Purchasing Agent within 24 hours.



E. Costs Under the Competitive Threshold

The Purchasing Agent may acquire Goods and Services by Direct Negotiation or by some other non-competitive method, when the dollar value of the purchase does not exceed \$50,000 and a properly executed and authorized Requisition is received. Under this non-competitive method, the Purchasing Agent shall attempt to obtain the Goods, Services or Professional Services most advantageous to the City, price and other factors considered. For Goods, Services, and Professional Services under the competitive threshold but over \$2,500, the Purchasing Agent or User shall obtain, where possible, at least three verbal quotes documenting the Vendors' names, contact information, and quotes.

F. Direct Negotiation

The City may acquire Goods, Services, and Professional Services by Direct Negotiation or other method involving limited or no competition from a Supplier having a requirements Contract/Annual Agreement with any public entity (e.g., federal, state, county, city, authority, school board, Buying Cooperative, etc.) for Goods, Services, or Professional Services described in such contract and at prices or discounts no less favorable than any set forth in such Contracts. Use of State/Co-Op Contracts: The Purchasing Manager may, independent of the requirements of bid process of this article, procure supplies, services or construction items through the Contract established through competitive means by the purchasing division of the State of Georgia, national Co-Ops (i.e.-U.S. Communities), and collaborative purchasing agreements with other local governments when deemed to be in the best interest of the City.

G. Performance Guarantee

A performance guarantee, such as a Performance Bond or Letter of Credit, may be required for any solicitation that includes Services to be performed after consultation with the City Manager, and others, as necessary.

H. Approval of Awards and Recommendations

Prior to the consummation of the purchase by the City of Goods, Services, or Professional Services, such purchase shall be approved by a person having approval authority over such purchase.

I. Forms

The Purchasing Agent shall provide and update all forms to procure Goods, Services, and Professional Services, as needed.





**IX. General Procedures and Approval Authorizations**

- A. The City reserves the right to reject any or all bids if it determines such rejection to be in the best interest of the City.
- B. All awards for amounts of \$50,000 or greater shall be approved or rejected by the City Council.
- C. The City Manager, or designee, is authorized to approve budgeted capital purchases or Contracts up to \$50,000 without obtaining further City Council approval (except for initial budget approval from City Council). The User is responsible for making the recommendation for the award following the procedures as identified above.
- D. City Council must approve the purchase of any budgeted capital purchase or Contract over \$50,000. The User is responsible for submitting the recommendation for this award to the City Council.
- E. RFP's will generally be solicited on a project-by-project basis with the exception of the following; Auditor, Engineering Testing Services, Medical Services and Banking Services, which will be solicited every three (3) years. The other Services will include, but are not limited to, architects, engineers and other professionals. The User will submit the Scope of Services to Purchasing, who will then determine which of the processes to use.
- F. Periodically, the City may be given private/public grants and donations from sources such as the State and Federal Government and private corporations. These types of solicitations are more restrictive and may dictate the procurement process and methodology that the City is to follow for an award.
- G. The final determination of the price and terms of any Goods, materials or services shall rest with the Purchasing Agent.
- H. It shall be the responsibility of the Purchasing Agent to document all Contracts, purchases, agreements for services and leases and to maintain said documents consistent with the records retention policy of the City. All agreements or Contracts binding the City must be in writing. There will be no exceptions.
- I. All negotiations of agreements for Goods and Services shall be conducted by the Purchasing Agent. It is recognized that special situations may exist where there is a special need for the User to be involved in the negotiation process. This must be in conjunction with the Purchasing Agent at all times. The Purchasing Office will make final recommendation for agreements.
- J. It is the responsibility of the Purchasing Agent to secure all necessary approvals of the City Manager or their designee, or legal authority, in writing, when necessary to protect the City and its legal liability prior to execution of a Contract or purchase agreement.



- K. The Purchasing Office may make any authorized purchase for which payment will be made in a current, routine manner following receipt of the Goods or services. Procurement by leasing, long-term financing, advance payments or deposits or any other special non-routine method must be approved in advance by the City Manager or their designee.
- L. The Purchasing Office will not normally provide purchase orders after procurement has been initiated. Purchases must be documented by the User with appropriate requisition and specific budget account number prior to the issuance of the purchase order number.
- M. In the case of Contracts (other than routine purchase orders), leases or service agreements (either new or renewals), the approval process is necessary. All such documents will be forwarded to the Purchasing Office. The Purchasing Office will acquire the necessary approvals prior to execution of any agreement, Contract or lease through the City Attorney's office. When said Contracts, leases or service agreements are up for renewal or expiration the Purchasing Office will notify the User for approval to either maintain the Contract or bid a new Contract. The Purchasing Office will be responsible for maintaining a file of all current Contracts, leases or service agreements.
- N. The Purchasing Agent will review the Contract for form, completeness, insurance considerations, legal implications, and any other items dictated by each situation. The Contract will then be sent to the User and approved by the Department Director and returned to Purchasing. The Purchasing Agent will be responsible for having the Contract signed by the City Manager or their designee after it is signed by the Vendor.
- O. The Purchasing Office will forward four copies of the Contract for signature to the Vendor, with them returning all four copies.
- P. Once the Contract is officially executed, the original of the Contract will be filed in the City Clerk's office. The second copy will be kept on file with the Purchasing Agent. A third copy of the completed Contract will be forwarded to the User department. The fourth copy will be returned to the Vendor.
- Q. Once a Contract is awarded by the City, the Contract may be amended, without the necessity of rebidding such Contract, provided the original Contract amount and the scope of the Contract is not substantially altered. The Purchasing Office will review all change orders and adjust encumbrances as applicable. Change orders will be processed to correct the account distribution, quantity, addition/deletion of line items, change in description and unit price. If a quoted price of the change order is up to \$50,000, the requisition will be sent to the Finance Director and City Manager for approval. Any requisitions with a change order over \$50,000 require City Council approval. The department cannot use the change order process to circumvent the Purchasing Policy. Change orders cannot substantially change the scope of the Contract.



- R. The Purchasing Office and the User share the responsibility to ensure the quality, delivery and payment of required Goods and Services.
- S. Final adjudication of any dispute between the Vendor and User shall be made by the Purchasing Agent with appropriate input from the User.
- T. In most cases, contact with Vendors regarding the Contract will be by the Purchasing Agent and in conjunction with the User as necessary. All Vendors must coordinate with the Purchasing Agent before visiting any other department regarding the Contract. All visits regarding the Contract must be made with the knowledge of the Purchasing Agent and the Purchasing Agent has the option of accompanying the visitor. It is recognized that this restriction on visitation will not necessarily apply to those Vendors with ongoing relationships such as computer and copy machine service technicians.
- U. All return of Goods must be initiated by the User through the Purchasing Agent. Additionally, all cancellations of, or modifications to, any agreements must be made by the Purchasing Agent.
- V. It shall be the responsibility of the User to ensure that purchased Goods are received, inspected and verified as to condition. Since the department head signed the purchase requisition, that person cannot be the receiver of the Goods and must appoint an individual within the department to be the receiver of the Goods and Services.
- W. Protests
  - a) Right to protest. Any Person who is aggrieved in connection with the solicitation or award of a Contract may protest to the City of Dunwoody. Protestors shall seek resolution of their complaints initially with the City Manager. All protests must be submitted in writing to the City Manager. The complaint shall specify the alleged act or omission by the City that provides the basis for the complaint.
  - b) Upon the filing of a written complaint, the City Manager, within three (3) business days, shall request a response from the Purchasing Agent. The Purchasing Agent's response will be returned to the City Manager within seven (7) calendar days. Failure by the Purchasing Agent to file a response may be considered as evidence by the City Manager. If requested by either party, the City Manager, or designee shall have a hearing on the complaint within fourteen (14) calendar days of filing the complaint to decide the merits of the claim. The City Manager is empowered to decide to uphold, dismiss or amend the decision of the Purchasing Agent. The City Council shall approve or reject the City Manager's decision. If the party bringing the complaint disagrees with the conclusions of the City Manager and City Council, the decision may be appealed by filing a writ of certiorari to the Superior Court of DeKalb County within thirty (30) days of the decision of the City Council.



- c) Protests concerning invitations. A protest with respect to an IFB, RQ, RFQ, or RFP shall be submitted in writing prior to the opening of bids or the closing date of proposals. If not done by that time, the complaint or protest is invalid.
  - d) Stay of procurement during protests. In the event of a timely protest under subsection (b) of this Section, the Purchasing Agent shall not proceed further with the solicitation or award of the Contract until all administrative remedies have been exhausted or until the City Manager or City Attorney makes a determination that the award of the Contract without delay is necessary to protect the interests of City of Dunwoody.
- X. Credit Cards shall only be issued upon approval of the department head and the City Manager. The Credit limit for each card shall be established by the Director of Finance. All individuals assigned a Credit Card on behalf of the City of Dunwoody shall be personally responsible for the use and any fraudulent use. The City Manager shall maintain a Procurement Card Procedure Manual. This manual shall be on file with the City Clerk and made available for all users.

**X. Property Disposal**

A. Excess, Surplus, and Obsolete Materials

It shall be the duty of the User to report all excess, surplus or obsolete materials to the Purchasing Office. At this point, the Purchasing Agent will examine alternatives as to the most advantageous disposition of the items. Items could be refurbished or reconditioned, transferred, traded in on new equipment or sold by auction or sealed bid.

1. Transfer or Re-use: The most gainful method for handling an item no longer needed by a department is to transfer it to another department that has a use for the item.
2. Trade-In: In replacing obsolete equipment, it may be financially advantageous to trade-in the old equipment. The invitation for bids on the replacement item should call for bid prices with or without trade-in and provide that award may be made either way.
3. Sale: Excess, surplus and obsolete items not transferred or traded-in may be consolidated and offered for sale by auction or by sealed bid method. Auctions can be traditional or contemporary including online auctions such as [www.Govdeals.com](http://www.Govdeals.com) or similar websites. The consolidated list will be submitted to City Council for approval before an auction or sealed bid is organized. The property offered for sale will be on an "AS IS/WHERE IS" basis. The sale will be given public notice. Sealed bids will be opened at the time and place announced with the City, retaining the right to reject any and all.



A. Sale to Employees

To avoid any appearance of impropriety in the disposition program, it will be the City's policy to prohibit the direct sale of surplus property to any City Employee, Official or Agent. This policy does not prohibit any City Employee, Official or Agent from extending an offer at a public auction or in the form of a sealed bid.

B. Allocation of Proceeds

Proceeds from the sale of excess or surplus property will go into the City's Fund that held the asset.

**XI. Payment Requests**

Check Request Forms are designed to streamline procedures for initiating routine payments of the types outlined below:

- A. Utility Bills
- B. Insurance Premiums and Bond Payments
- C. Postage Expenses
- D. Conferences, Training and Meeting Pre-paid Expenses
- E. Reimbursements as shown on a valid, approved Travel Expense Report
- F. Professional Services
- G. Court Fees
- H. Instructors or Speakers for Programs

The above list is not all-inclusive; questions should be directed to the Finance Director or Purchasing Agent. The use of the Payment Request Form in no way implies that proper procedures outlined in above need not be adhered to. The Payment Request procedures are merely a means of expediting payment.