

TO: ALL COUNTY PERSONNEL

**FROM: VERDENIA C. BAKER
COUNTY ADMINISTRATOR**

**PREPARED BY: FACILITIES DEVELOPMENT & OPERATIONS DEPARTMENT
(FDO)**

**SUBJECT: REQUIREMENTS FOR CONSTRUCTION AND CONSTRUCTION
RELATED CONTRACTS WITH VALUES OF LESS THAN
\$300,000**

PPM#: CW-F-064

ISSUE DATE
January 29, 2025

EFFECTIVE DATE
November 16, 2024

PURPOSE:

To set forth procedures for implementing procurement authority of construction and construction related activities with a contract value of less than \$300,000 which is executed by the Directors of FDO, Airports, Water Utilities, Environmental Resources Management or the County Engineer (collectively referred to as “Construction Departments”). Also to standardize contract procedures for Construction Department executed contracts, consistent with the documentation requirements for construction contracts approved by the Palm Beach County (County) Board of County Commissioners (BCC).

UPDATES:

Future updates to this PPM are the responsibility of the FDO Director.

AUTHORITY:

- Palm Beach County Code Chapter 2, Article III, Section 2-51 – 2-70 (Procurement Code), as may be amended
- Palm Beach County Code Chapter 2, Article III, Section 2-80.20 – 2-80.40 (Equal Business Opportunity Program), as may be amended
- Palm Beach County Code Chapter 2, Article III, Section 2-80.41- 2-80.48 (Local Preference Code), as may be amended
- Palm Beach County Code Chapter 2, Article II, Section 2-147 – 2-150.1 (Living Wage Ordinance), as may be amended **NOTE: The Living Wage Ordinance shall not apply to construction contracts entered into on or after July 1, 2024.

- Palm Beach County Code Chapter 2, Article XII, Office of the Inspector General, as may be amended
- PPM CW-F-016 Bond Waiver Program, as may be amended
- PPM CW-F-050 Change Order and Consultant Services Authorization Authority for Construction, Engineering and Architectural Contracts, as may be amended
- PPM CW-F-049 Contract Development and Contract Responsibility, as may be amended
- PPM CW-O-043 Small/Minority/Women Business Enterprise (S/M/WBE) Utilization for the Procurement of Goods and Services, including Construction Related Goods and Professional Services, as may be amended

DEFINITIONS:

Refer to **Attachment A** for a listing of definitions related to this PPM.

POLICY:

It is the County’s policy to procure construction and construction related contracts through a fair and equitable competitive process, in compliance with applicable County, State and Federal statutory and regulatory requirements.

PROCEDURES:

1. **Bidding/Procurement Phase:** For the bidding/procurement phase of a project, the County Representative will follow the procedure listed below:
 - A. Prepare written scope of work.
 - B. Determine the urgency of the work.
 - C. Prepare a preliminary estimate of cost/schedule of values.
 - D. Determine which of the following processes will be used in procuring the work.
 1. **Competitive Bid:** Legally advertised, competitive bid for construction or construction related goods or services with an estimated value between \$150,000 and \$300,000 or as amended by the Procurement Code. When using this process the following must be utilized:
 - a. **Advertising:** Competitive bids must be publicly advertised by electronically posting the bid online using the County’s vendor self-service website and, if the project is expected to cost more than \$200,000, by advertising in the newspaper pursuant to Florida Statutes (F.S.), Section 255.0525. Advertising must be accomplished in sufficient time to allow bidders to prepare and submit their bids to meet the established public bid opening.
 - b. **Pre-Bid Conferences:** Pre-Bid Conferences may be mandatory or non-mandatory. A mandatory pre-bid conference may be used to

explain complicated specifications and requirements to potential bidders to achieve a better understanding of what the County is seeking. Many Federal/State grants prohibit mandatory pre-bid conferences, please refer to specific grant requirements prior to scheduling a mandatory pre-bid conference.

- i. The pre-bid conference should be held no sooner than 5 days after advertising, allowing sufficient time for interested bidders to learn of the solicitation and acquire a copy. The time, date and location of the pre-bid conference must be identified in the bid documents.
 - ii. The County Representative shall arrange for attendance of the appropriate user department and technical personnel.
 - iii. The County Representative is responsible for conducting the pre-bid conference. The County Representative must emphasize to the bidders that, regardless of what is said by anyone present at the pre-bid conference, the terms, conditions, and specifications of the solicitation can only be changed by a written and published addendum to the bid document.
- c. Site Visits: Site visits shall be conducted with interested bidders and appropriate County Staff when it is determined that it is essential to the bidding process that certain elements relating to the specifications must be seen by interested bidders and, if necessary, be explained further. In the event it is decided that a site visit is necessary, the site visit shall be mandatory and certification of the vendor's attendance must be kept on file.
- d. Bid Openings: Bid(s) shall be opened publicly in the presence of one or more witnesses at the place and time as designated in the IFB. The amount of each bid, the name of the bidder and other relevant information shall be recorded; the record and each bid shall be open to public inspection in accordance with Florida Law. A bid tabulation summary sheet must be kept for each solicitation.
- e. Invitation for Bid Cancellation or Postponement: Prior to bid opening, an Authorized Department Director may cancel or postpone an IFB. After the bid opening, the Authorized Department Director may cancel the IFB if (1) no or only one responsive, responsible bid is received, or (2) if the lowest responsive, responsible bid is in excess of the funding limits established by the County for that IFB. The County Administrator or designee may cancel the IFB after bid opening in the event of (1) discovery of a patent irregularity or procedural flaw which is so

severe as to render the process invalid; (2) the County determines that the need for the procurement no longer exists and will not exist in the immediate future; or (3) the cancellation or postponement is in the best interest of the County.

- f. Standard Contract Format: The standard contract form is available from each Authorized Department Director and must be used. It is up to each Authorized Department Director to ensure that the updated standard contract form is used for all procurements.
- g. Equal Business Opportunity Program: the County's Goal Setting Committee will establish the applicable Affirmative Procurement Initiative as defined in PPM CW-O-043.
- h. All contracts shall be awarded pursuant to the requirements of the County's Procurement, Equal Business Opportunity, Living Wage and Local Preference ordinances, and other applicable PPMs and ordinances.
- i. Each Authorized Department Director is responsible for ensuring that written departmental procedures are in place specifically addressing how State and Federal grant related certifications, representations, conditions, and requirements are reflected in the contract documents especially when this PPM is in conflict with those grant requirements and for ensuring that they are included in the initial project request to the Construction Department.
- j. The bid security and public construction bond may be waived for contracts of less than \$200,000 provided the bidder complies with County Resolution No. 89-1178 and County PPM CW-F-016 relative to the Bond Waiver Program.

2. Competitive Quote:

- a. A minimum of three (3) quotes are required for all competitive solicitations which have an estimated cost of less than \$150,000 or as allowed by the Procurement Code. If less than three (3) quotes are submitted, the Authorized Department Director has the option of verifying that the lowest submitted quote is within the estimate for the work and award the work to the lowest quote.
- b. All solicitations for competitive quotes will include a date and time by which quotes must be received. If a pre-quote site visit is necessary, the solicitation shall include the date and time for the pre-quote site visit.

c. Prior to the date on which quotes are to be received, an Authorized Department Director may cancel or postpone a solicitation for quotes. After quotes are received, the Authorized Department Director may cancel the solicitation if (1) no or only one responsive, responsible quote is received; (2) if the lowest responsive, responsible quote is in excess of the funding limits established by the County for that solicitation; (3) upon discovery of a patent irregularity or procedural flaw which is so severe as to render the process invalid; (4) the County determines that the need for the procurement no longer exists and will not exist in the immediate future; or (5) the cancellation or postponement is in the best interest of the County.

3. Sole Source: Prior to approving a sole source procurement, the Authorized Department Director must approve justification for same from the County Representative.
4. Proprietary Purchase: Since this type of procurement does not provide for full and open competition, regardless of the number of sources solicited, it shall require prior approval by the Authorized Department Director. Award shall be made to the lowest responsive, responsible quote, inclusive of the requirements under the EBO and Local Preference ordinances.
5. Piggyback or Cooperative Contract: The Authorized Department Director may purchase goods and/or services under contract with Federal, State and municipal government or other government agencies or political subdivisions providing that the vendor extends the same terms and conditions of the contract to Palm Beach County. Prior to using another entity's contract, the County Representative shall review the competitive bidding or proposal process used by the other governmental entity's purchasing ordinance (e.g., IFB or Request for Proposals), and the resulting contract, purchasing agreement, purchase order, etc., as the County's purchase must be pursuant to the identical terms, inclusive of any addendums incorporated as allowed under the terms and conditions of the piggyback contract.

In the event the purchase order is \$300,000 or greater, the purchase must be approved by the BCC.

6. Emergency Contract: Emergency purchases shall be in accordance with the County's Procurement Code, as amended except that approval shall be the responsibility of the Authorized Department Director.

- E. Select the Vendor to be Awarded the Contract.
 - 1. Follow all award criteria required for the type of procurement selected, including responsiveness and responsibility as required by the Procurement Code and as may be further defined by the specific solicitation.
 - 2. All vendors must be properly licensed to perform specific work prior to bid opening. This can be verified through the County's Planning, Zoning & Building (PZB) Contractor Certifications Division. This should be reiterated at the pre-bid conference and be stated in the competitive quote solicitations.
 - 3. In order to meet S/M/WBE goals, only certified S/M/WBEs at the time of bid submittal may be counted towards the goal.
 - 4. Post all recommendations for award pursuant to the Procurement Code.

2. Documentation for Contract Approval:

- A. The contract will have a clearly defined scope of work and a contract price amount. If there are reimbursable expenses, the reimbursable expense amount must be identified separately in the contract as well as the items to be reimbursed.
- B. Each contract must specify a term for provision of services. In determining if liquidated damages apply and establishing the amounts to be assessed, the Construction Departments may follow their own departmental PPMs, applicable requirements based on the funding source for the contract, or F.S., Section 337.18.
- C. An approved Budget Availability Statement (BAS) must be attached. The User Department must clearly identify the source of funding for all projects on the BAS and convey all relevant Federal certifications and representations at the initial project request. See **Attachment B** for a sample BAS.
- D. The Insurance Certificate(s) must be attached with the appropriate insurance category limits, the County identified as additionally insured, and must contain at least a 30 day cancellation clause. Contact the County's Risk Management department, prior to solicitation, if you are unsure of the appropriate insurance category limits.
- E. The vendor must sign the contract before approval by the Authorized Department Director.
- F. All contracts must be reviewed and signed off by the County Attorney's office before approval by the Authorized Department Director.

G. The successful bidder must register as a vendor with the Purchasing Department.

3. Payment:

A. The vendor must complete work in accordance with contract specifications and/or scope in order to be approved for payment.

B. Upon receipt of the vendor's invoice, the County Representative will review the same and, if found in conformance with contract requirements, forward the approved invoice to the authorized Department's Fiscal Section for processing.



VERDENIA C. BAKER
COUNTY ADMINISTRATOR

Supersession History:

1. PPM CW-F-064, effective 02/09/1982
2. PPM CW-F-064, effective 06/14/2004
3. PPM CW-F-064, effective 12/20/2005
4. PPM CW-F-064, effective 02/23/2010
5. PPM CW-F-064, effective 05/13/2011
6. PPM CW-F-064, effective 11/12/2014

ATTACHMENT A DEFINITIONS

Authorized Department Director. Department Directors authorized by the Procurement Code to execute construction and construction related contracts with values of less than \$300,000 per contract or less than \$300,000 per annum. Those Department Directors are limited to the County Engineer, Director of Facilities Development & Operations, Director of Water Utilities, Director of the Department of Airports, and Director of Environmental Resources Management (Coastal and Land Management Construction Contracts) (collectively, the Construction Departments).

Competitive Bid. The process of purchasing goods and/or services as legally advertised with an invitation for bid. The contract is awarded to the lowest responsive and responsible bidder, as detailed in the Procurement Code. Unless covered by an alternate source selection, a legally advertised competitive bid and the standard contract format are required for all contracts with a value equal or greater than \$150,000 or as amended by the Procurement Code.

Competitive Quote. A process of purchasing goods and/or services with a value of less than \$150,000 or as amended by the Procurement Code.

Coastal and Land Management Construction Contract. Any construction or construction related contract or purchase order for improvements to real property, including constructing, altering, repairing, improving or demolishing buildings, or for goods or services related thereto, and further limited to construction and construction related activities directly required for 1) shoreline protection, restoration or enhancement, or 2) management of environmentally sensitive lands; but excluding the procurement of services from a building or general contractor for any type of vertical construction within a coastal or land management project.

Construction Contract. Any construction or construction related contract or purchase order as defined by the Purchasing Department policy for improvements to real property, including constructing, altering, repairing, improving or demolishing buildings, or for goods or services related thereto, valued at less than \$300,000 per contract. If change orders are issued to a construction contract approved by an Authorized Department Director, which increase the contract value to \$300,000 or more per contract, the change must then receive the approval of the BCC.

County Representative. A County employee representing one of five (5) authorized Construction Departments who is responsible for administering a construction project.

Emergency Contract. A contract that is issued when an Authorized Department Director determines that the urgency of a situation would be detrimental to the interests, health, safety, or welfare of the County and does not allow time to observe the normal competitive procurement procedures. All emergency purchases shall be in accordance

with the County's Procurement Code, except that approval shall be the responsibility of the Authorized Department Director.

Piggyback Contract. Construction goods or services contracted for by the County using other competitively selected government contracts as long as the vendor extends the same terms and conditions to the County.

Proprietary Purchase. A contract issued when the Authorized Department Director has determined and documented in writing that the requested item is the only item which meets the Department's need and is available through more than one (1) source.

Purchase Order. A purchase document used to authorize a purchase transaction with a vendor. It should contain provisions for services ordered, applicable terms as to payment, discounts, date of performance and other factors or conditions relating to the transaction, acceptance of a purchase order shall constitute a contract.

Sole Source. A contract issued when the Authorized Department Director has determined and documented in writing that the requested item is the only item which meets the Department's need and is only available for procurement from a single source.

**ATTACHMENT B
BUDGET AVAILABILITY STATEMENT**

REQUEST DATE: _____ REQUESTED BY: _____ PHONE: _____

PROJECT TITLE: _____ PROJECT NO.: _____

ORIGINAL CONTRACT AMOUNT: _____ BCC RESOLUTION#: _____

REQUESTED AMOUNT: _____ DATE: _____

CSA or CHANGE ORDER NUMBER: _____

CONSULTANT/CONTRACTOR: _____

PROVIDE A BRIEF STATEMENT OF THE SCOPE OF SERVICES TO BE PROVIDED BY THE CONSULTANT/CONTRACTOR:

CONSTRUCTION	\$
VENDOR SERVICES	\$
STAFF COSTS	\$
EQUIP. / SUPPLIES	\$
CONTINGENCY	\$
TOTAL	\$

BUDGET ACCOUNT NUMBER:

FUND: _____ DEPT: _____ UNIT: _____ OBJ: _____

IDENTIFY FUNDING SOURCE FOR EACH ACCOUNT: (check all that apply)

- Ad Valorem (source/type: _____)
- Non-Ad Valorem (source/type: _____)
- Grant (source/type: _____)
- Park Improvement Fund (source/type: _____)
- General Fund Operating Budget Federal/Davis Bacon
- _____ _____ _____

Department: _____

BAS APPROVED BY: _____ DATE: _____

ENCUMBRANCE NUMBER: _____