



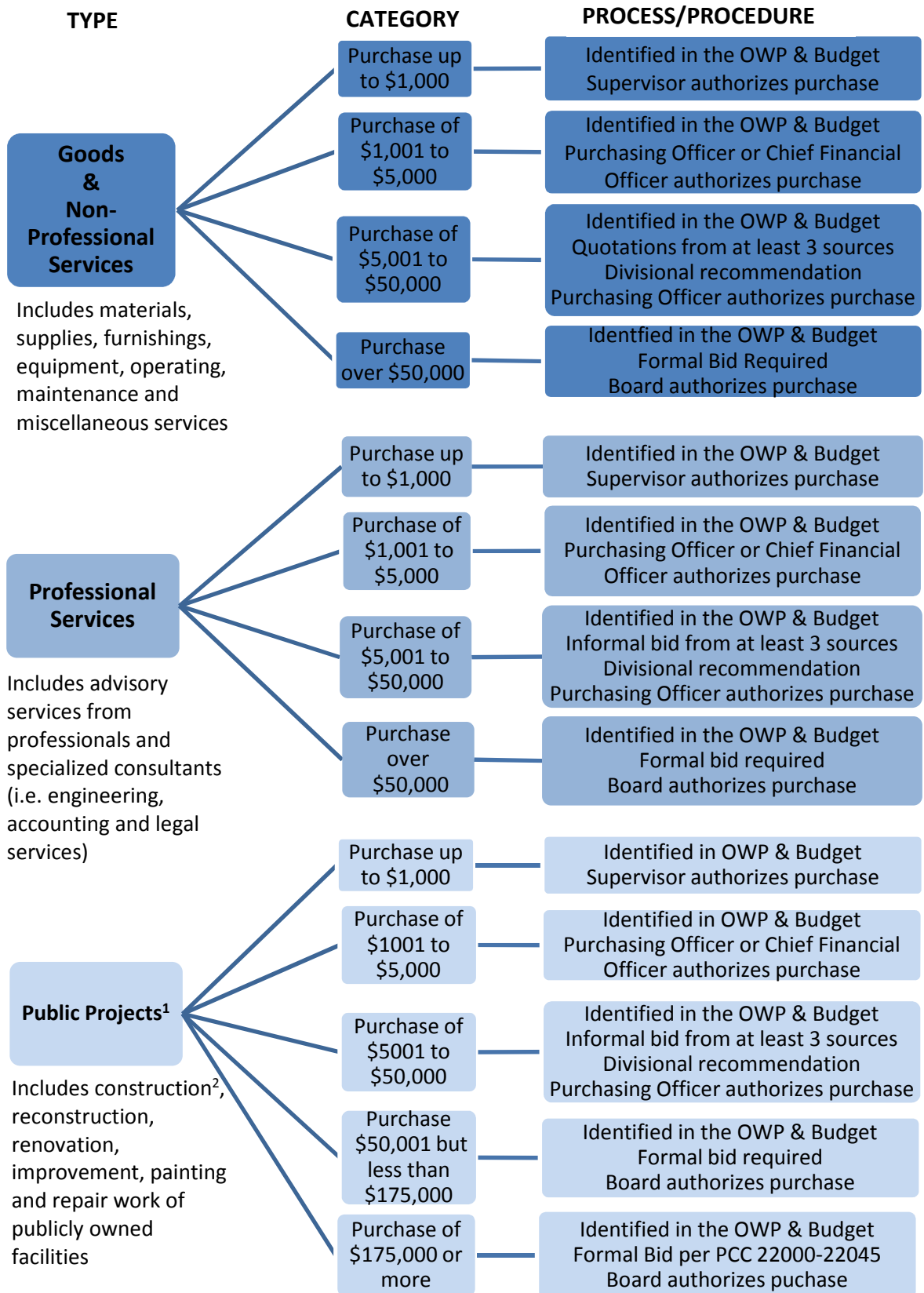
**SANTA BARBARA COUNTY  
ASSOCIATION OF GOVERNMENTS  
PURCHASING POLICY**

**Approved 11/16/17**

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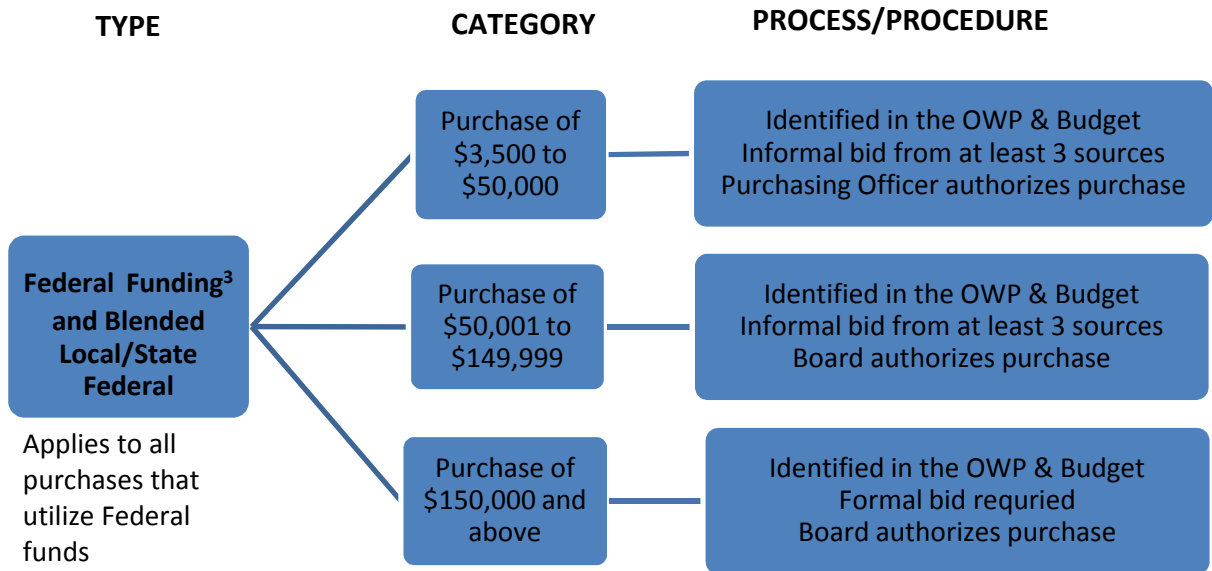
## SBCAG PURCHASING CATEGORIES



<sup>1</sup> Defined in accordance with Public Contract Code § 22002

<sup>2</sup> Construction projects using Federal funding require conferring with counsel

## SBCAG PURCHASING CATEGORIES- Continued



<sup>113</sup> Methods of Procurement to be Followed per 2 CFR 200.320

**SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS  
PURCHASING POLICY**

**I. Purpose**

**The purpose of this policy is to:**

- Establish efficient procedures for the purchase of goods, services, and construction at the lowest possible cost commensurate with the quality needed.
- Establish procedures for contracting for professional services
- Exercise positive financial control over purchases
- Clearly define authority for the purchasing function
- Assure the quality of purchases

This policy does not cover the issuance of grants or MOU's with other governmental or private agencies as these would have separate policies or procedures

**II. Executive Director and Authority.**

Pursuant to the Santa Barbara County Association of Governments (SBCAG) Ordinance No. 3, Section 8, subdivision (d) the Executive Director is authorized to approve disbursements of funds consistent with the annual budget and shall have other duties, powers, and responsibilities as may be assigned by the SBCAG Board of Directors. By Resolution 17-39, the Executive Director is the Purchasing Officer for SBCAG in accordance with the policy described herein.

As the Purchasing Officer, the Executive Director shall be responsible for the purchase of all goods and services for SBCAG under this policy. No expenditures shall be submitted or recommended to the Board of Directors without approval of the Purchasing Officer. The Purchasing Officer shall have the authority to make purchases for SBCAG in accordance with this policy, unless otherwise directed by the Board of Directors. The Purchasing Officer shall ensure that all purchases are made in accordance with the budgets authorized by the Board of Directors. The Purchasing Officer may delegate any or all purchasing activities at his/her discretion.

**III. Purchasing Officer Authority**

The Purchasing Officer is authorized to enter into and sign on behalf of SBCAG, without the prior approval of the Board of Directors, a contract for goods, services, or public projects:

- A. Which contains up to an initial maximum amount not to exceed \$50,000.00.
- B. When an emergency exists as defined herein under "Emergency Purchases", If such an emergency exists, the Purchasing Officer shall authorize the expenditure of any unencumbered moneys, notwithstanding the fact that such moneys may not have been appropriated for such purpose, to the extent that other moneys have not been appropriated or are otherwise unavailable.; and
- C. To approve monthly progress payments when required or to release contract retention.

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**IV. Methods of Purchasing—Goods and Non-Professional Services**

Goods are those items such as office supplies. A contract for goods is a contract for the purchase of supplies, materials or equipment, including, but not limited to, office supplies, janitorial supplies, furnishings, machinery, tools, vehicles, computer hardware and other personal property, materials or goods. A contract for goods may include purchase of labor incidental to the purchase of goods, such as set-up, installation and testing. A non-professional services contract is a contract, with or without the furnishing of supplies or equipment, for work, labor or services, including, but not limited to:

- A. Maintenance of public buildings, streets, parks and playgrounds and other public improvements;
- B. Repair, modification and maintenance of equipment;
- C. Licensing, installation and maintenance of computer software;
- D. Janitorial services, uniform cleaning, tree trimming, street sweeping, power washing and landscape maintenance;
- E. Leasing of personal property for use by SBCAG; and
- F. Temporary employment or payroll service contracts.

**Purchases of Five Thousand and No/100ths (\$5,000.00) Dollars or less--Small purchases**

Purchases, the cost of which are \$5,000 or less in any one transaction, shall be made using simplified and cost-effective operational procedures without the required use of formal or informal bids. Purchases less than \$1,000 require supervisor authorization prior to purchase. Purchases between \$1,001 and \$5,000 require supervisor authorization and Purchasing Officer or the Chief Financial Officer approval prior to purchase. Purchasing requirements shall not be artificially divided so as to avoid the provisions of this section.

**Purchases of more than Five Thousand and No/100ths (\$5,000.00) Dollars, up to Fifty Thousand and No/100ths (\$50,000.00) Dollars --Informal bid process**

- A. Informal bid procedure. The purchase of goods and non-professional services greater than \$5,000 but less than \$50,000, may be made on the open market, following the procedure prescribed below:
  - 1. Minimum number of quotations. Open-market purchases shall, whenever possible, be based on at least three (3) quotations and shall be awarded to the lowest responsible quotation in accordance with Public Utility Code § 180154;
  - 2. Notice inviting quotations. The division making the purchase shall solicit quotations by written (including e-mail), verbal request to prospective vendors;
  - 3. Quotations. Quotations shall be submitted in writing (including facsimile and e-mail or generated via online search engine) to SBCAG, which shall keep a record of all open-market orders and period specified; and
  - 4. Award of contracts. The Purchasing Officer is authorized to award a contract of up to \$50,000 or less when the Board of Directors has appropriated funds for the item(s) and the amount of the award is not more than the appropriated amount as described herein.

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- B. Exceptions. The open-market procedure may be dispensed with in accordance with provisions set forth in "Exceptions to the bidding process".

**Purchases of more than Fifty Thousand and No/100ths (\$50,000.00) Dollars--Formal bid process**

- A. Formal contract procedures. SBCAG shall purchase goods and non-professional services of a value greater than \$50,000 following the formal bid procedure prescribed below:
1. Notice inviting bids. The notice inviting bids shall include a general description of the goods or non-professional services to be purchased, and shall state where bid forms and specifications may be secured and the time and place for opening bids;
    - a. Published notice. The notice inviting bids shall be published on SBCAG's website at least ten (10) days before the date of the opening of the bids; and
    - b. Bidders' list. SBCAG shall also solicit sealed bids from responsible prospective suppliers whose names are on a bidders' list.
  2. Bidders' security. When deemed necessary, SBCAG shall require bidders' security. Bidders' security shall be in accordance with the provisions of the California Public Contract Code;
  3. Bid opening procedure. Bidders shall submit sealed bids to the Purchasing Officer or Designee and shall identify them as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than twenty-five (25) calendar days after the bid opening;
  4. Rejection of bids. Bids failing to meet requirements shall be deemed non-responsive and rejected from consideration. At its discretion, the Board of Directors may reject any and all bids presented and may instead direct SBCAG staff to re-advertise for bids;
  5. Award of contracts. The Board of Directors shall award a contract for the purchase of goods and non-professional services with a value of more than \$50,000. A contract shall be awarded to the lowest responsible bidder, except as otherwise provided herein. A contract may be awarded to the next lowest responsible bidder if the successful bidder refuses or fails to execute the contract. If the first two lowest responsible bidders fail to execute the contract, then SBCAG will reopen the bidding.
  6. Tie bids. If two (2) or more bids received are for the same total amount of unit price and quality, service, and delivery being equal, and if the public interest will not permit the delay of re-advertising for bids, those involved in the evaluation of the bids shall accept the lowest good faith offer by negotiation with the tie bidders; and
  7. Performance bonds. SBCAG has the authority to require a performance bond before entering a contract, in such amount as is reasonably necessary to protect the best interest of SBCAG or any of the jurisdictions. If a performance bond is required, the form and amount of the bond shall be described in the notice inviting bids.
- B. Exceptions. Bidding under this section may be dispensed with in accordance with provisions set forth in the section titled "Exceptions to the bidding process".

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**V. Methods of Purchasing--Professional Services**

Professional services are occupations requiring special training in the arts or sciences. Some professional services require holding professional licenses such as architects, auditors, engineers, doctors and lawyers. The following section pertains to these types of professional service and public works contracts as per government code 4528.

**Professional services with a value of Five Thousand and No/100ths (\$5,000.00) Dollars or less.**

Professional services valued at \$5,000 or less, shall be contracted using simplified and cost effective operational procedures without the requirement of soliciting requests for proposals from multiple professional service providers. Purchases less than \$1,000 require supervisor authorization prior to purchase. Purchases between \$1,001 and \$5,000 require supervisor authorization and Purchasing Officer or the Chief Financial Officer approval prior to purchase. Purchasing requirements shall not be artificially divided so as to avoid the provisions of this section.

**Professional services with a value of more than Five Thousand and No/100ths (\$5,000.00) Dollars to Fifty Thousand and No/100ths (\$50,000.00) Dollars**

- A. Informal request for proposal (RFP) procedure. The purchase of services with a value greater than \$5,000 up to \$50,000 shall be made following the procedure prescribed below:
  - 1. Solicitation of proposals. SBCAG may solicit proposals by written (including e-mail) or verbal request to prospective consultants. Informal requests for proposals shall, whenever possible, be based on at least three (3) written proposals and shall be awarded to the best qualified and most responsible proposer. The dollar amount of the proposal shall be considered and awarded to the lowest responsible bidder for purchases of services, supplies, equipment and materials in excess of \$10,000 unless a declaration of an emergency, per PUC § 180154.
  - 2. Award of contracts. The Purchasing Officer is authorized to award a contract of up to \$50,000 or less when the Board of Directors has appropriated funds for service and the amount of the contract is not more than the appropriated amount as described herein.
- B. Exceptions. The request for informal proposal procedure may be dispensed with when an emergency has been declared in accordance with PUC § 180154(a).or when the Purchasing Officer in his or her best judgment makes a written finding that compliance with these procedures is not in the best interest of the SBCAG.

**Professional services with a value of more than Fifty Thousand and No/100ths (\$50,000.00) Dollars.**

- A. Formal request for proposal (RFP) procedures. SBCAG shall purchase services with a value of more than \$50,000 following the procedure prescribed below, or in the alternative the RFQ procedure:
  - 1. Request for proposals. The request for proposal (RFP) shall include a general description of the services to be purchased, shall include a proposed professional services agreement, and the time and place for submission of proposals. A notice inviting proposals shall be distributed to at least three (3) organizations and shall be posted on the SBCAG website at least ten (10) days prior to the deadline for submission of proposals. Proposers shall submit sealed proposals and shall identify them as proposals on the envelope;



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2. Evaluation of proposals. All responsive proposals shall be reviewed and evaluated by SBCAG in order to determine which proposer best meets SBCAG's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required services. The criteria by which SBCAG shall evaluate proposals will be set forth in the request for proposals. SBCAG reserves the right to reject any and all proposals or waive any irregularities in any proposal/quote or the proposal process; and
  3. Award of contract. The Board of Directors shall award a contract for services with a value of greater \$50,000. A contract shall be awarded to the lowest responsible bidder, except as otherwise provided herein. A contract may be awarded to the next lowest responsible bidder if the successful bidder refuses or fails to execute the contract. If the first two lowest responsible bidders fail to execute the contract, then SBCAG will reopen the bidding.
- B. Formal Request for Qualifications (RFQ) procedures. RFQ procedures may be used as an alternative to RFP procedures. SBCAG shall procure services with a value of more than \$50,000 following the procedure prescribed below:
1. Request for Qualifications. The Request for Qualifications (RFQ) shall include a general description of the services to be procured, shall include a proposed professional services agreement, and the time and place for submission of qualifications. A notice inviting the submittal of qualifications shall be distributed to at least three (3) organizations and shall be posted on the SBCAG website at least ten (10) days prior to the deadline for submitting the Statements of Qualifications (SOQ's);
  2. Evaluation of Statements of Qualifications. All responsive SOQ's shall be reviewed and evaluated by SBCAG in order to determine which submittal best meets SBCAG's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required services. The criteria by which SBCAG shall evaluate SOQ's will be set forth in the RFQ. SBCAG reserves the right to reject any and all SOQ's or waive any irregularities in any qualifications based submittal process; and
  3. Award of contract. The Board of Directors shall award a contract for services with a value of greater \$50,000. A contract shall be awarded to the lowest responsible bidder, except as otherwise provided herein. A contract may be awarded to the next lowest responsible bidder if the successful bidder refuses or fails to execute the contract. If the first two lowest responsible bidders fail to execute the contract, then SBCAG will reopen the bidding.
- C. Exceptions. Bidding under this section may be dispensed with in accordance with provisions set forth in the section titled "Exceptions to the bidding process".

**VI. Methods of Purchasing – Public Projects**

The dollar amount thresholds provided in this section shall automatically adjust upon the effectiveness of any adjustment notification by the State Controller in accordance with Public Contract Code section 22020, without the necessity of amending this section or any subsection herein to reflect any such adjustment.

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**Public Projects Defined**

A public project is as defined in Section 22002(c) of the Public Contract Code and means the following:

- A. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased or operated facility; or
- B. Painting or repainting of any publicly owned, leased, or operated facility.

A Public Project pursuant to the Public Contract Code section 22002(d) does not include maintenance work. For purposes of this section maintenance work includes the following:

- A. Routine, recurring and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes;
- B. Minor repainting;
- C. Resurfacing of streets and highways at less than one inch; or
- D. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants and servicing of irrigation and sprinkler systems.

Facility is as defined in Section 22002(e) of the Public Contract code means any plant, building, structure, ground facility, real property, streets and highways or other public work improvement.

**Public Projects with a value of Five Thousand and No/100ths (\$5,000.00) Dollars or less.**

Public Projects valued at \$5,000 or less, shall be contracted using simplified and cost effective operational procedures without the requirement of soliciting requests for bids from multiple providers. Purchases less than \$1,000 require supervisor authorization prior to purchase. Purchases between \$1,001 and \$5,000 require supervisor authorization and Purchasing Officer or the Chief Financial Officer approval prior to purchase. Purchasing requirements shall not be artificially divided so as to avoid the provisions of this section.

**Public Projects with a value of more than Five Thousand and No/100ths (\$5,000.00) Dollars to Fifty Thousand and No/100ths (\$50,000.00) Dollars**

- A. Informal bid procedure. The purchase for which a public project has a value of \$5,000 to \$50,000 or less, may be made on the open market, following the procedure prescribed below:
  - 1. Minimum number of quotations. Open-market purchases shall, whenever possible, be based on at least three (3) quotations and shall be awarded to the lowest responsible quotation;
  - 2. Notice inviting quotations. The division making the purchase shall solicit quotations by written (including e-mail), verbal request to prospective vendors;
  - 3. Quotations. Quotations shall be submitted in writing (including facsimile and e-mail or generated via online search engine) to SBCAG, which shall keep a record of all open-market orders and period specified; and
  - 4. Award of contracts. The Purchasing Officer is authorized to award a contract of up to \$50,000 or less when the Board of Directors has appropriated funds for the item(s) and the amount of the award is not more than the appropriated amount.

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- B. Exceptions. Bidding under this section may be dispensed with in accordance with provisions set forth in the section titled "Exceptions to the bidding process".

**Public Project with a value of more than Fifty Thousand and No/100ths (\$50,000.00) Dollars but less than \$175,000.**

- A. Formal Public Project Contract procedures. SBCAG may enter into a contract for completion of a public project with a value of more than \$50,000 but less than \$175,000 through the following below:
1. Notice inviting bids. The notice inviting bids shall include a general description of the public project to be completed, and shall state where bid forms and specifications may be secured and the time and place for opening bids;
    - a. Published notice. The notice inviting bids shall be published on SBCAG's website at least ten (10) days before the date of the opening of the bids; and
    - b. Bidders' list. SBCAG shall also solicit sealed bids from responsible prospective suppliers whose names are on a bidders' list.
  2. Bidders' security. When deemed necessary, SBCAG shall require bidders' security. Bidders' security shall be in accordance with the provisions of the California Public Contract Code;
  3. Bid opening procedure. Bidders shall submit sealed bids to the Purchasing Officer or Designee and shall identify them as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than twenty-five (25) calendar days after the bid opening;
  4. Rejection of bids. Bids failing to meet requirements shall be deemed non-responsive and rejected from consideration. At its discretion, the Board of Directors may reject any and all bids presented and may instead direct SBCAG staff to re-advertise for bids;
  5. Award of contracts. The Board of Directors shall award a contract for the purchase of goods and services with a value of more than \$50,000. A contract shall be awarded to the lowest responsible bidder, except as otherwise provided herein. A contract may be awarded to the next lowest responsible bidder if the successful bidder refuses or fails to execute the contract. If the first two lowest responsible bidders fail to execute the contract, then SBCAG will reopen the bidding.
  6. Tie bids. If two (2) or more bids received are for the same total amount of unit price and quality, service, and delivery being equal, and if the public interest will not permit the delay of re-advertising for bids, the committee conducting the evaluation of the bids may accept the one it chooses, or accept the lowest good faith offer by negotiation with the tie bidders.
  7. Performance bonds. SBCAG has the authority to require a performance bond before entering a contract, in such amount as is reasonably necessary to protect the best interest of SBCAG or any of the jurisdictions. If a performance bond is required, the form and amount of the bond shall be described in the notice inviting bids.

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- B. Exceptions. Bidding under this section may be dispensed with in accordance with provisions set forth in the section titled “Exceptions to the Bidding Process”.

**Public Project with a value of more than One Hundred Seventy Five Thousand and No/100ths (\$175,000.00) Dollars.**

Public Projects of more than \$175,000 shall be let to contract by formal bidding procedures in accordance with applicable provisions of the Public Contract Code Sections 22000 through 22045. Absolutely no exceptions to the formal bidding procedure covered under this section shall be granted unless clearly identified in the Public Contracts Code.

**VII. Methods of Purchasing – Federal Funding/Blended Local and/or State with Federal Funds**

**Purchases with a value of more than Three Thousand Five Hundred Dollars (\$3,500.00) Dollars but less than One Hundred Fifty Thousands (\$150,000.00) Dollars. – Informal Bid**

- A. Informal bid procedure. When a purchase uses federal funding to procure goods, non-professional services, and professional services has a value of \$3,500 to \$149,999, may be made on the open market, following the procedure prescribed below:
  - 1. Minimum number of quotations. Open-market purchases shall, whenever possible, be based on at least three (3) quotations and shall be awarded to the lowest responsible quotation;
  - 2. Notice inviting quotations. The division making the purchase shall solicit quotations by written (including e-mail), verbal request to prospective vendors;
  - 3. Quotations. Quotations shall be submitted in writing (including facsimile and e-mail or generated via online search engine) to SBCAG, which shall keep a record of all open-market orders and period specified; and
  - 4. Award of contracts. The Purchasing Officer is authorized to award a contract of up to \$149,999 or less when the Board of Directors has appropriated funds for the item(s) and the amount of the award is not more than the appropriated amount.
- B. Exceptions. The open-market procedure may be dispensed with in accordance with provisions set forth in “Exceptions to the bidding process”.

**Purchases with a value of One Hundred Fifty Thousand (\$150,000) Dollars and above – Formal Bid**

- A. Formal request for proposal (RFP) procedures. When a purchase uses federal funding to procure goods, non-professional services, and professional services with a value of more than \$150,000 following the procedure prescribed below, or in the alternative the RFQ procedure:
  - 1. Request for proposals. The request for proposal (RFP) shall include a general description of the services to be purchased, shall include a proposed professional services agreement, and the time and place for submission of proposals. A notice inviting proposals shall be distributed to at least three (3) organizations and shall be posted on the SBCAG website at least ten (10) days prior to the deadline for submission of proposals. Proposers shall submit sealed proposals and shall identify them as proposals on the envelope;

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2. Evaluation of proposals. All responsive proposals shall be reviewed and evaluated by SBCAG in order to determine which proposer best meets SBCAG's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required services. The criteria by which SBCAG shall evaluate proposals will be set forth in the request for proposals. SBCAG reserves the right to reject any and all proposals or waive any irregularities in any proposal/quote or the proposal process; and
  3. Award of contract. The Board of Directors shall award a contract for services with a value of greater \$50,000. A contract shall be awarded to the lowest responsible bidder, except as otherwise provided herein. A contract may be awarded to the next lowest responsible bidder if the successful bidder refuses or fails to execute the contract. If the first two lowest responsible bidders fail to execute the contract, then SBCAG will reopen the bidding.
- B. Exceptions. Bidding under this section may be dispensed with in accordance with provisions set forth in the section titled "Exceptions to the bidding process".

**Purchases for Construction**

Purchases using Federal funds for construction require more stringent rules adopted by Federal procurement policies. SBCAG will consult with counsel for guidance as to Federal rules in place at the time of purchase to ensure compliance.

**VIII. Competitive and non-competitive negotiations**

- A. Applicability. A purchase may be had by negotiations when the purchase is for a sole source item or service including, but not limited to: a technology product; an addition to, repair to, or maintenance of existing equipment which can be more efficiently added to, repaired, or maintained by a particular company or manufacturer; equipment which must be compatible with existing equipment, by reason of the training of the personnel; or an inventory of existing replacement parts kept by SBCAG. The affected division of SBCAG shall state in writing the basis for determination that this section applies. Before any negotiations take place, that determination and the method of negotiation (competitive or noncompetitive) must be first approved by the Purchasing Officer when the purchase is more than \$5,000.
- B. Competitive negotiation.
1. Request for Proposals. Proposals are requested from a minimum of three (3) vendors. The notice inviting proposals shall be published at least ten (10) days before the date of the opening of the bids if the value of the product is expected to reach more than \$10,000 unless a declaration of an emergency is issued. (see Emergency Purchases below) Notice shall be published on SBCAG's website inviting bids. The request for proposals must identify all of the significant evaluation factors, including cost and their relative importance.
  2. Receipt of proposals. Sealed proposals must be submitted by the date and time specified on the notice inviting proposals and shall be identified by the Request for Proposal number.
  3. Negotiation. The most qualified and responsive proposer will be selected for contract negotiations. If agreement cannot be reached with the first proposer, the

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second choice proposer (and then the third and so on) will be contacted with the first choice proposer (or other proposers, in order) dismissed from further consideration on that particular project. All elements of the negotiation process shall be documented by the negotiating division and submitted to the Purchasing Officer. Responsible proposers shall be given fair and equal treatment with respect to opportunity for discussion and revision of proposals. Any revisions are permitted after submission in writing and prior to the award of a contract.

4. Award and notification. A contract award may be made to the responsible proposer whose proposal will be best for SBCAG considering evaluation factors. All proposers participating in the process shall be notified in writing of the successful award.
- C. Noncompetitive negotiations. When there is only one source, purchase can be made through solicitation and negotiation directly with that source. The affected divisional lead shall state in writing, that basis for this determination. Before any purchase is made, that determination must be approved in writing by the Purchasing Officer.

**IX. Determination of the lowest responsible bidder**

In determining the lowest responsible bidder, “responsible” has reference to trustworthiness, quality, fitness, and capacity of the low bidder to satisfactorily perform the proposed work. To determine whether or not a bidder is “responsible” or “not responsible”, the following will be considered:

- A. Quality of the materials, supplies, services, and/or equipment offered;
- B. The ability, capacity, and skill of the bidder to perform the contract or provide the materials, supplies or equipment;
- C. Whether the bidder can perform the contract or provide the materials, supplies or equipment promptly or within the time specified, without delay or interference;
- D. Past performance of the bidder;
- E. The sufficiency of the bidder’s financial resources to perform the contract or provide the materials, supplies, or equipment;
- F. The ability of the bidder to provide future maintenance and services if essential;
- G. The compatibility of the materials, supplies and/or equipment with SBCAG’s existing inventory of same;
- H. The quality and timeliness of the bidder’s performance on previous orders or contracts for SBCAG;
- I. The ability of the bidder to provide future maintenance and service where such maintenance and service is essential; and
- J. The character, integrity, reputation, judgment, experience, and efficiency of the bidder.

When a determination of “not responsible” is made, the low monetary bidder will be afforded an opportunity to rebut any adverse evidence and be permitted to present evidence that the bidder is qualified to perform the contract. A quasi-judicial proceeding, however, prior to rejection of the low monetary bidder as a non-responsible bidder shall not be required.

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**X. Procurements using only local funds - Exceptions to the bidding process**

Contracts for goods, services, or public projects which the cost to SBCAG in one transaction will be more than \$5,000 shall be permitted by either informal or formal competitive bidding or proposals pursuant to this policy. For contracts greater than \$3,500 partially or fully funded through federal dollars, please refer to Section X below.

Purchasing requirements shall not be artificially divided so as to avoid the competitive bidding requirement. Nothing in this section shall preclude the solicitation of competitive bids or proposals, when possible. The following are exemptions to the competitive bidding requirements:

- A. Emergency purchases made under a declaration of an emergency by the Board, executive committee, or designee per PUC § 180154;
- B. Situations where solicitations of bids or proposals would for any reason be impractical, unavailing, or impossible;
- C. Cooperative purchasing that have been competitively bid within the past five (5) years whose purchasing process is consistent with the provision of the policy;
- D. Sole source goods or services;
- E. Insurance and bonds;
- F. Purchasing funded by grants, donations, or gifts when the special conditions attached to the grants, donations, or gifts require the purchase of particular goods and/or services to be purchased in a more specific manner than described herein;
- G. Goods and/or services obtained from or through agreement with any governmental, public, or quasi-public entity;
- H. Works of art, entertainment, or performance;
- I. Surplus personal property owned by another governmental, public, or quasi-public entity;
- J. Membership dues, conventions, training, and travel arrangements;
- K. Advertisements in magazines, newspapers, or other media;
- L. Where competitive bids or proposals have been solicited and no bid or proposal has been received. In such a situation the Purchasing Officer may proceed to have the services performed or the goods purchased without further competitive bidding.

**XI. Procurements partially or fully funded through federal dollars – Exceptions to the bidding process**

Pursuant to Title 2, Code of Federal Regulations, section 200.320, procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- A. The item is available only from a single source;
- B. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- C. The Federal awarding agency or State expressly authorizes noncompetitive proposals in response to a written request from SBCAG; or

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- D. After solicitation of a number of sources, competition is determined inadequate.

**XII. Local business purchasing consideration**

- A. Non-federally funded purchases. Notwithstanding any other provision contained herein to the contrary, a five percent (5%) adjustment shall be granted to local businesses whenever the SBCAG purchases services, supplies, materials, and/or equipment for SBCAG’s use through the competitive bid process, which shall be defined herein to include quotes, bids, and proposals. The Purchasing Officer, in evaluating competitive bids, shall determine the lowest responsive bidder, and if the lowest responsive bidder is a non-local bidder, then a five percent adjustment shall be granted to local bidders. Local consideration only applies to the purchase of services, supplies, materials, and/or equipment, and will not apply to bids conducted with other public agencies nor when prohibited by state or federal statutes or regulations to be awarded to the “lowest responsible bidder” or otherwise exempted from local consideration. The total amount of such an adjustment granted in a single competitive bid shall not exceed \$5,000 over a non-local bidder.

The five percent local adjustment shall be deducted from the total dollar amount bid by local bidders on competitive quotes and bids, and assessed on the total evaluated aggregate score obtained by local bidders on proposals.

For the purposes of this section, “local business” means any business which meets all of the following criteria:

- 1. A principal place of business located within Santa Barbara County with a valid and verifiable business license, if applicable, issued by a jurisdiction within the county, or a business located in the unincorporated areas of the county. Post office boxes do not qualify as verifiable local business addresses;
- 2. Employs at least one full-time employee within the county, or if the business has no employees, shall be at least fifty percent (50%) owned by one or more persons whose primary residence(s) is located within the county; and
- 3. Has had a fixed office or place of business having a street address within the county for at least six months immediately prior to the issuance of the request for competitive bids by SBCAG.

To qualify for the local business consideration, local bidders may submit proof of the address of its principal place of business and a copy of their current business license, if applicable, with each bid for which an adjustment is claimed. Proof of address is normally the address to which purchase orders or contracts will be sent.

- B. Partial or fully federally funded purchases. In accordance with Title 2, Code of Federal Regulations, section 200.319 where federal funding is used in part, or in whole, the Purchasing Officer must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except
  - 1. In those cases where applicable Federal statutes expressly mandate or encourage geographic preference.
  - 2. When state licensing laws require otherwise.



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3. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

**XIII. Emergency purchases**

The Purchasing Officer, or designee, may make or authorize others to make emergency purchases, regardless of the cost, if there is an urgent necessity to do so. An emergency shall be deemed to exist if personal property or contractual services are needed without undue delay for the preservation of life or property or to prevent the breakdown of a SBCAG service at a substantial expense to SBCAG and when it is not possible to acquire prior approval. Such emergency purchase shall be made with such competition as is practical under the circumstances and shall be limited to those goods and services necessary to satisfy the emergency need. If the purchase is in excess of \$10,000 the Purchasing Officer or designee must declare an emergency to justify the absence of the bidding and award requirements identified in PUC 180154(b). In such instances, a written report of the purchase will be given to the Purchasing Officer including a description of the emergency and the basis for selection of the particular contractor, and a copy of this report shall be included in the purchase records. In the event that such emergency action is necessary and the purchase cost is more than \$50,000 in any one transaction, the Purchasing Officer or designee shall make a full and complete report to the Board of Directors at its next regularly scheduled meeting.

**XIV. Disposition of Surplus Property**

- A. *Authority.* The Purchasing Officer is authorized to sell or dispose of surplus personal property having a salvage value in the open market by public auction, by competitive sealed bids, or by exchange or trade-in for new goods. The sale or lease of surplus personal property to a governmental, public or quasi-public agency may be without advertisement for or receipt of bids.
- B. *Property with no salvage value.* Surplus personal property with no salvage value shall be disposed of in a manner that salvages recyclable components, if practical.
- C. *Records.* The SBCAG will keep records, which indicate surplus personal property disposed of, the method of disposal, and the amounts recovered from its disposal and shall maintain records for public inspection relative to the disposal of surplus personal property for a period of time in compliance with record-keeping provisions.
- D. *Donations.* Surplus personal property may be donated to governmental, public or quasi-public agencies, charitable, or nonprofit organizations.
- E. *Proceeds of sale.* Proceeds from the sale of surplus personal property shall be deposited into the appropriate SBCAG fund or account.