

TITLE: <b>POLICY AND PROCEDURE FOR SOLE SOURCE PROCUREMENTS NOT EXCEEDING \$25,000</b>		PROCEDURE NO: 02-011
		SUBMITTED BY: Judy S. Carter Director of Purchasing
		APPROVED BY: Carlos A. Gimenez City Manager
EFFECTIVE DATE: OCTOBER, 2002	SUPERCEDES NO:	PAGE NO: 1

- PURPOSE:** To establish policy and procedures for purchases of goods, equipment and services on a sole source basis.
- SCOPE:** The scope of this policy shall be limited only to the purchase of goods, equipment and services not exceeding \$25,000 in accordance with the City Code Section 18-92.
- AUTHORITY:** The Chief Procurement Officer has been delegated the authority, pursuant to the City Code, to determine when a sole source procurement exists and to approve request for purchases of goods and services not exceeding \$25,000 on a sole source basis. Sole source purchases for goods/equipment/services require prior approval by the Chief Procurement Officer or designee, prior to issuance of purchase order unless sole source justification is on file.
- POLICY:**
1. Conditions for Use  
As it is not practicable for the City to use competitive bidding methods to purchase goods, equipment or services if there is only one reasonable source of supply, noncompetitive negotiations may be used as an exception to other procurement methods under the following circumstances:
- a) Compatibility of equipment accessories or replacement parts which permits only one (1) reasonable source of supply, e.g. a computer terminal for an existing system.
  - b) Goods for services available from a single source are needed for trial use or testing.
  - c) Unique and specialized expertise of one (1) source of service is unlikely to be obtainable from any other source.
- A request for a proprietary item does not justify a sole source procurement if there is more than one potential bidder for the item.
- Procedures:**
1. Using departments are to submit to the Chief Procurement Officer or designee referencing the Requisition Number, a written justification as to why no other source of goods or services can be obtained to meet the City's requirements.  
DO NOT INCLUDE WRITTEN JUSTIFICATION ON PURCHASE ORDER.
  2. Upon receipt, Chief Procurement Officer or designee will evaluate request and make a determination as to whether there is no other known suppliers who can provide the requested goods, equipment or services.
  3. If request is denied, the procedures for small purchases shall apply.
  4. If request is approved, the buyer, under the supervision of the Assistant Director of Purchasing, conducts negotiations as to price, delivery, terms and conditions and includes same on the Purchase Order.  
Buyer secures Insurance Certificate, if required and Purchase Order is issued.