



Presented By:

**Ruth Zintzun,**  
Purchasing and  
Contracts Manager

Administration  
Committee

December 8, 2021

# Purchasing, Contracts, and Materials Management

## Department Overview



1

## Mission Statement

*“Provide goods, services, and information with the commitment to achieving the highest ethical, economic, and progressive standards possible.”*



2

2

## Rules and Regulations

- State Law
- Public Contract Code
- Mini-Brooks Act
- CA Government Code
- Federal and State Grant Requirements
- OC San Policies
- Ordinance No. OC SAN-56

3

3

## Purchasing Approval Thresholds

- Ordinance No. OC SAN-56
  - Sufficient Budget Available and Authorized
  - General Manager up to \$100K
  - Standing Committees up to \$200K
  - Board Approval if over \$200K

4

4

# Materials Management

```

graph TD
    MM((Materials Management)) --- SR((Shipping and receiving))
    MM --- SD((Stocking and distribution))
    MM --- IC((Inventory control))
    MM --- D((Disposal))
    MM --- UM((Uniform management))
    MM --- TC((Tool crib))
    MM --- QC((Quality control))
            
```

- 6,300 inventory items
- \$7.8 m of inventory

5

5

# Contracts

<b>Public Works Construction</b>	\$471 m awarded last year
<b>Professional Services</b>	\$74 m awarded last year
<b>Contract Administration</b>	\$720 m construction projects in active administration
<b>Template Updates</b>	Continually updated to reflect evolving practices and updated regulations

6

6

# Purchasing

- Equipment
- Services
- Consulting Services
- Supplies

- 70+ Annual solicitations
- \$50M Annual PO value
- 5K+ POs issued annually

7

7

# Procurement Process

- 01 Identification of Need
- 02 Choosing Relevant Procurement Method
- 03 Solicitation Development
- 04 Conduct Solicitation
- 05 Evaluate Submittals
- 06 Obtain Appropriate Approvals
- 07 Finalize and Award
- 08 Contract Administration

8

8

## Procurement Methods

### Public Works Construction

***Construction, erection, or alteration of any type of structure, building, or improvement***

- Publicly advertised competitive solicitation if work is over \$35,000
- Awarded to lowest Responsive & Responsible Bidder
- No contract negotiations

9

9

## Procurement Methods

### Request for Proposals/ Qualifications

***Services provided by professionals that involve specialized judgement, skill, and expertise***

- Competitive solicitation if service is over \$10,000
- Award is based on Best Value
- Contract negotiations may occur

10

10

## Procurement Methods

### Goods and Services Bids

*Fixed, movable, disposable, and/or reusable products, equipment, materials, or supplies;  
or  
furnishing of materials, labor, time, or effort by a Contractor.*

- Competitive solicitation if goods or services are over \$10,000
- Awarded to lowest Responsive & Responsible bidder
- No contract negotiations

11

11

## Exemptions

### Emergency

*Purchases that are required to prevent immediate interruption or cessation of necessary services or to safeguard life, property, or the public health and welfare*

### Sole Source

*Goods and/or services are:*

- 1) *Of a unique nature based on the quality, durability, availability, fitness or qualifications for a particular use; or*
- 2) *Only available from one source*

- General Manager or designee determines the urgent need or sole source
- Awarded through negotiated procurement
- Board Chairman concurrence if emergency over \$100,000
  - Board ratified at next regular meeting

12

12

# Developments



Electronic Bidding



Electronic Signatures



Insurance Verification



Remote Warehousing



Vendor Outreach

13

13

# Questions



14

14