ADMINISTRATIVE MEMORANDUM

COUNTY OF SAN MATEO

NUMBER: B-1

SUBJECT: Soliciting, Selecting and Developing Agreements with Providers of Goods and Services

RESPONSIBLE DEPARTMENT: Procurement Department

APPROVED: _____ **DATE: July 1, 2026**
Michael Callagy, County Executive

I. PURPOSE

This Administrative Memorandum rescinds and replaces the previous version of Administrative Memorandum B-1 dated July 1, 2025. It updates and clarifies County-wide procurement and contracting standards.

The Department of Procurement ("Procurement") is responsible for reviewing this Administrative Memorandum on an annual basis to ensure it remains aligned with the Board's goals and best procurement practices. The accompanying Procurement Manual provides more detailed guidance on procuring goods and services.

For more specific requirements related to construction and public works contracts, see County Ordinance Code Chapter 2.55, Procedures for Contracting for Public Projects; and Administrative Memorandum B-21, Selection of Construction Contractors.

II. GENERAL PROVISIONS FOR ALL SOLICITATIONS

The County's procurement policies are in place to support the responsible use of public resources, to secure high-quality goods and services, and to uphold the public trust and confidence by conducting County business with integrity, fairness, and transparency.

A. Procurement Ethics

Public employees must safeguard public funds and ensure that all expenditures involving procurement and contracting are conducted ethically and responsibly.

All procurement activities must comply with the County's Procurement Ethics Policy (https://www.smcgov.org/ceo/procurement-ethics) as well as applicable departmental ethics guidelines.

B. Competitive Solicitations

The County prioritizes full and open competitive procurement as its standard approach, except in cases where competition is impractical, such as during emergencies, where the availability of goods or services is limited, or where other circumstances exist that justify waivers of competitive requirements, as outlined in this Administrative Memorandum. Full and open competition ensures that all qualified parties have the opportunity to submit sealed bids or competitive proposals in response to solicitations.

C. Competitive Solicitation Types

In accordance with a competitive solicitation process, purchase orders are typically awarded based solely on price. However, service contracts may be awarded either on price alone or on a combination of price and other pertinent criteria that, collectively, offer the County the greatest overall value—commonly referred to as "best value."

Where special circumstances justify the use of a competitive solicitation method not formally listed or defined under this Administrative Memo, departments may use such a method with prior written approval from the Procurement Director or their designee. The department must submit the approval request well in advance, and it must describe in detail the proposed competitive solicitation method, the justification for using the method, and the circumstances under which the method will be used by the department in the future. If the Procurement Director or their designee approves, the department may use that competitive solicitation method but must document each time it is used in the County's designated procurement platform.

D. Solicitation Process

1. Departments shall adhere to the solicitation procedures approved by Procurement to ensure compliance with the County procurement policies, applicable laws and regulations, unless superseded by other applicable legal requirements. For "public projects" (including construction, reconstruction, alteration, renovation, improvement, demolition, painting, or repairs to County-owned, leased, or operated facilities), refer to the Public Contract Code, San Mateo County Ordinance Code Chapter 2.55 (Procedures for Contracting for Public Projects), and County of San Mateo Administrative Memo B-21 (Selection of Construction Contractors).
2. All applicable solicitation requirements must be adhered to, unless a waiver of competitive requirements is expressly permitted under this memorandum. Failure to adhere to these requirements may result in a cancellation of the solicitation process and necessitate restarting the competitive procurement process.
3. A solicitation may result in more than one contract. Individual solicitations that result in multiple contracts that in aggregate exceed $200,000 require Board approval.
4. All solicitations valued at more than $100,000 must comply with the formal procurement requirements outlined below. Solicitations valued at more than $100,000 shall not be split into several smaller solicitations or split into separate contracts over fiscal years to circumvent the formal procurement requirements.
5. All solicitations must comply with Administrative Memo B-36 on Indirect Cost

Rates. This memo outlines how indirect cost rates must be calculated and documented and requires that any contract involving payment for indirect costs explicitly states the applicable rate.

6. All solicitations must comply, when applicable, with San Mateo County Ordinance Code Chapter 2.89, which establishes Procurement Preference for Local Businesses.

7. Prior to and during the procurement process, no party competing for or expected to compete for award of a contract may be provided information that is not provided to other competing parties.

8. All solicitations must comply with County Ordinance Code Chapter 2.83.170 (Conflict of Interest). This ordinance generally prohibits any party that helped prepare any procurement documents related to a solicitation from submitting a bid or proposal for a subsequent phase of the same project.

E. Coordination and Compliance with Other County Departments

1. Technology Services Department (TSD) has established County standards and specifications for technology-related goods and services. Each department must ensure that its solicitations either:

   - Comply with these standards and specifications, or
   - Have been reviewed by TSD before being released.

   Departments can obtain TSD's standards and specifications directly from TSD.

2. Departments must obtain approval from the County's Risk Management Division for any changes or waivers to insurance requirements, hold harmless, indemnity, or limitation of liability contract language.

3. Any solicitation for work on real property must be reviewed by Real Property Services when the property is leased, and by the Department of Public Works when the property is owned by the County.

4. Use of Cooperative or Piggyback Agreements: The County encourages the use of existing contracts, competitively solicited agreements, cooperative (third party) contracts, or piggyback arrangements (within the County or with other government entities) when they serve the County's best interests. Before using such agreements, due diligence must be performed to confirm that the existing, internal County agreement was procured in compliance with the County's procurement requirements, or that the external, third-party agreement was procured through a competitive process comparable to the County of San Mateo's, and which also complies with the local, applicable law of the original awarding agency. The use of any internal or external cooperative or piggyback agreement requires prior approval from Procurement through the County's designated procurement platform.

F. Minimum Content for All Solicitations

All solicitations—regardless of their value, subject matter, or type of procurement—must provide enough information for interested parties to explain how they would deliver the requested goods or services and to propose a reasonable and accurate price.

For solicitations exceeding $10,000, the following information must be included at a minimum:

1. The County's objectives in issuing the solicitation.
2. A description of the expected tasks and deliverables that the proposer will be required to complete.
3. For the solicitations of services, the procurement document must identify at least one proposed quality or outcome performance measure for service contract deliverables. Performance measures should be consistent with the County Executive Office's guidance.
4. All relevant information in the County's possession that could reasonably be expected to influence the contractor's performance or proposed price.
5. A description of the process and timeline for reviewing responses and awarding a contract.
6. All solicitations must be scored, and scoring must be documented in the County's designated procurement platform.
    - If the award is based on best value, the solicitation must specify:
        i. The factors that will be considered in making the award; and
        ii. The relative importance of each factor (which may be shown by assigning values or "weights").
    - Only the criteria stated in the solicitation may be considered.
    - If the award is based on price alone, that must be explicitly stated in the solicitation.
7. A pricing form or clear instructions on how pricing information is to be provided, so that competing offers may be easily compared.

G. <u>Solicitation Procedures for Contracts Expected to be $100,000 or Less</u>

1. Informal Solicitation: For goods and services expected to cost $100,000 or less, the County may use an "Informal solicitation" instead of a formal solicitation. An informal solicitation does not require public notice or sealed responses; it is instead conducted by requesting prices or proposals from a selection of identified proposers. All informal solicitations must be conducted through the County's designated procurement platform and must be scored.
2. Unless competitive procurement requirements are waived as provided in this memorandum, informal solicitations must be sent to a sufficient number of potential providers to demonstrate a good-faith effort to obtain at least three quotes or proposals. If fewer than three responses are received, the solicitation record must document the efforts made to obtain at least three. As an alternative, solicitations may be posted publicly on the County's designated procurement platform, which fulfills the requirement to seek three quotes. Prior to the due date and time for response submission, proposals or quotes from a responding

party must not be shared with other competing parties.

3. Request for Submission of Qualifications (RFSQ): The RFSQ is an approved informal solicitation method used to obtain statements of qualifications from potential vendors. Its primary focus is on evaluating each vendor's experience and ability to provide the requested service. Use of this solicitation method requires prior written approval from the Procurement Director or their designee.

H. <u>Solicitation Procedures for Purchases Expected to Exceed $100,000</u>

1. If a contract is expected to exceed $100,000, a formal solicitation is required – unless a waiver of competitive requirements is permitted under, and approved in accordance with, this memorandum. A formal solicitation is one that is publicly advertised and requires sealed responses. All formal solicitations must utilize the standard County templates.

2. Formal Solicitations:

Formal solicitations include:

- Price-based procurements, such as Invitations for Bids (IFBs)
- Best-value procurements, such as Requests for Proposals (RFPs)
- Or other procurement methods defined in the Procurement Manual or approved by the Procurement Director or their designee.

All formal solicitations must be publicly posted on the County's designated platform.

For IFBs involving goods:

- They must be conducted exclusively by Procurement, or with Procurement's prior approval before public posting.
- All supporting documentation for the IFB must be submitted through the County's designated procurement platform.
- Documentation must be approved by the Procurement Director or their designee prior to the issuance of a purchase order.

3. All RFPs for contracts valued over $500,000 must be reviewed by the County Attorney's Office prior to release.

   All RFPs for contracts valued at $500,000 or less may be submitted for County Attorney's Office review at the department's discretion or upon request from a Deputy County Attorney.

4. Beyond the minimum content required for all solicitations described in this memorandum, formal solicitations must establish a process that ensures full and open competition and must also include the following:

   a. A statement regarding the County's right to reject all submissions and not to enter into any contract.

   b. A statement that the submissions are public records, and a description of the process that will be followed if copies are requested as public

records.

c. A statement that the proposer has not been suspended or debarred from entering into contracts with any other government agencies due to misconduct or other reasons.

d. The method by which protests may be filed regarding the solicitation.

e. A complete scope of work, describing the County's business, functional, and technical requirements.

f. A form, sheet, or matrix for pricing to ensure that all interested parties are proposing prices in the same manner and submissions are comparative.

g. For solicitations for services, outcome or performance measures that will be used to evaluate a contractor's performance.

h. Best Value Procurement is the preferred method for competitively soliciting professional services. When an award is based on best value, all relevant evaluation factors and their relative importance must be clearly stated. Relative importance may be shown by assigning values or weights to each factor. The evaluation factors must include:

- The experience of the firm and/or the staff assigned to the project, including their work on similar projects; and
- The proposed methodology for meeting the County's needs and, when appropriate, the work plan and timeline for completing tasks and deliverables; and
- Price, which must account for at least 25 percent of the total evaluation.

I. Approval and Award

1. Contracts may only be awarded to "responsive" and "responsible" contractors as those terms are defined below:

   a. Responsive bids or proposals are those that fully meet the requirements outlined in the solicitation documents and comply with all specified instructions and procedures. Minor irregularities may be waived if such waiver does not give the bidder a competitive advantage compared to the other bidders, provided the waiver is approved by the Procurement Director or their designee through the County's designated procurement platform.

   b. Responsible Bidders or Proposers: A bidder or proposer is considered responsible if they are trustworthy and have the necessary skills, resources, fitness, capacity, and experience to fulfill the terms of the contract. They must also have no record of being barred from any government contracts due to prior misconduct.

   To verify responsibility:

   - The Department must conduct a search at www.sam.gov to confirm the bidder or proposer has not been suspended or debarred from receiving

federal funding.

- If the search shows no results, best practice is to email the vendor to confirm their current standing, as required under Section II.H.4.c.
- If a bidder or proposer is suspended or debarred from contracting with any governmental entity, the County shall not enter into a contract with them.

2. Price-based solicitations of any amount must be awarded to the responsive and responsible bidder offering the lowest price.

3. Service Contracts ($200,000 or less):

   - Contracts up to $200,000 must be approved and signed by the Department Head (or their designee) of the department conducting the procurement.
   - If the contract amount is over $100,000, formal solicitation procedures are required.
   - If the department is seeking to waive the competitive solicitation process for service contracts above $10,000, approval must be obtained from the Procurement Director (or their designee) through the County's designated procurement platform.
   - As stated in Section III.B.1., if the standard County contract is either modified or not used, the department must obtain written approval from the County Attorney's Office.

4. Service Contracts Over $200,000:

   - Any service contract exceeding $200,000 must be approved by the Board of Supervisors.
   - Before submission to the Clerk of the Board, the contract must be reviewed by the County Attorney's Office.
   - If a department seeks to waive the competitive solicitation process:
     i. The department must first obtain a recommendation for approval from the Procurement Director (or their designee) through the County's designated procurement platform.
   - Document that recommendation, along with the justification for the waiver, in the memorandum to the Board. Board approval of the waiver of the competitive solicitation process must be included in the resolution authorizing the contract.

5. Departments must upload all contract and solicitation documents to the County's designated procurement platform. Procurement and the Controller's Office Internal Audit Division will periodically review these documents to verify compliance with the County's solicitation and contracting policies and procedures. Departments that do not follow these policies, including record-keeping requirements, may be required to conduct future solicitations through Procurement.

J. Tie Bids

If the County's Procurement Preference for Local Business Ordinance applies to a procurement, tie bids will be handled according to that Ordinance.

Where the County's Procurement Preference for Local Business Ordinance does not apply, but the pool of proposers includes San Mateo County-based providers, then in the event of a tie, or in a best-value procurement—where price, quality, and terms are substantially equal—preference may be given to the San Mateo County-based providers, unless prohibited by any applicable law or regulation. To qualify as a local business, a proposer must have a fixed physical location (not a P.O. box) within the geographical boundaries of San Mateo County.

In the event of a tie amongst two San Mateo County-based proposers, a witnessed coin toss or other witnessed, randomized selection may be used to break the tie.

If no local preference applies and there are no San Mateo County-based proposers, a witnessed coin toss or other witnessed, randomized selection method may be used to break the tie.

K. Procurement Record

Departments must maintain complete procurement records in the County's designated procurement platform, in accordance with procedures established by Procurement and all applicable records-retention regulations.

Each procurement record must include the following:

- The solicitation and all issued addenda; and
- The name of the departmental staff member responsible for the solicitation; and
- All bids or proposals received, including any modified or final offers; and
- All evaluation materials, such as rating sheets; and
- The rationale for the final contract award (e.g., lowest price, best value, or other factors), including verification that the price is fair and reasonable when the award is not based solely on price; and
- Confirmation that no County employee involved in the procurement process has any relationships with potential vendors that could create a conflict of interest (e.g., completed Service Agreement Procurement Attestation forms); and
- The final executed contract and all amendments; and
- Additional documents required by County policy

For best-value procurements, if the County does not contract with the highest-ranked bidder (for example, due to unsuccessful contract negotiations), the record must document the specific reasons for proceeding to the next-highest-ranking bidder.

Procurement will regularly review departmental procurement records. Departments that fail to comply with record-keeping requirements may be required to conduct future solicitations through Procurement.

III. GENERAL PROVISIONS FOR ALL SERVICE CONTRACTS

A. Term of Service Contracts

1. The recommended term for County contracts is three years with the option to extend for up to an additional two years. If an option to extend is included, the pricing and other terms for the extended period must be specified in the original contract. The standard term of a County contract shall not exceed five years. All contracts should include language that allows the County to terminate the contract prior to the end of any term, subject to the review and approval of revised language by the County Attorney's Office.

2. A contract may exceed five years if one or more of the following exceptions apply. All requests to exceed five-year limit are subject to the review and approval of the Procurement Director or their designee.

Exceptions include:

a. When the funding source requires a term longer than five years. (e.g. State or Federal funded procurements, or other external grants).

b. A specific law, code, or regulation mandates a contract term longer than five years.

c. Contracts for goods, including equipment with a lifespan longer than five years when extending the contract provides greater benefit to the County than executing a new contract.

d. Contracts for software infrastructure, including maintenance and support, with a lifespan longer than five years when extending the contract provides greater benefits to the County than executing a new contract.

e. Proprietary maintenance contracts.

f. Contracts for project-specific professional services where the project is expected to last more than five years.

g. County revenue contracts involving the lease of County property or County-provided services.

h. Contracts with other government entities.

i. Situations in which a department can otherwise justify that exceeding the five-year term limit is in the County's best interest. Requests under this category will be reviewed by Procurement and require approval from the County Executive Officer or their designee.

B. Standard Service Contract Documents

1. Departments are required to use the standard County templates for all contracts regardless of dollar amount. If a department modifies a standard template or uses a contractor's own contract form, it must obtain written approval from the County Attorney's Office for any modifications or substitutions. In addition, Risk Management must approve all modifications to insurance requirements, hold harmless/indemnity, or limitation of liability contract language.

2. All contracts must include all of the following terms in sufficient detail to be understood by someone not affiliated with the department.

    a. The names of parties to the contract

    b. The term of the contract

    c. The contract value, and if applicable, rates upon which payment will be based

    d. Payment process

    e. Contract numbers that will be recorded in the County's accounting system

    f. A detailed scope of work that includes all tasks to be performed by each party

    g. At least one quality or outcome performance measure for service contract deliverables. These measures should align with the guidance provided by the County Executive Office.

    h. For project-specific contracts, provide a description of deliverables and a project completion schedule, including due dates for each deliverable—or explain how the schedule will be developed. For on-call or requirements-type contracts, include this information and the specific scopes of work in task orders or purchase orders.

    i. If the contract includes payment by the County for a contractor's indirect costs, the contract must comply with Administrative Memo B-36 Indirect Cost Rate. Administrative Memo B-36 sets forth requirements regarding the derivation and documentation of indirect cost rates and requires that such rates be explicitly stated in any contract that includes payment for indirect costs.

C. Service Contract Amendments

If an amendment increases a contract's total value above $100,000 and the department did not conduct a formal solicitation, the amendment must be reviewed and approved by the Procurement Director or their designee. If an amendment increases the contract's total value above $200,000, it must be submitted to the Board of Supervisors for approval. Contract amendments shall not be used to circumvent formal solicitation requirements when the contract's total value is reasonably expected to exceed $100,000.

D. Service Contract Administration

The department that conducted the procurement or amendment is responsible for administration of the resulting contract or contract amendment. Responsibilities include facilitating contractor payments; obtaining signed W-9 forms from new contractors; distributing executed agreements to the contractor and the Controller; collecting required insurance documents; monitoring contractor performance and payments; ensuring full compliance with the terms and conditions of the contract and completing annual performance reviews.

E. Service Contracts Awarded by Other County Departments/Agencies

With approval from the Procurement Director or their designee, contracts awarded by other County departments or agencies through a competitive process can be utilized by other departments or agencies via a piggyback agreement. A new contract must be executed with the same previously agreed upon terms, conditions, and pricing, unless the Procurement Director or their designee approves otherwise.

F. Service Contracts Awarded by Other Entities

With the approval of the Procurement Director or their designee and in compliance with County requirements, contracts awarded by other public agencies through a competitive process comparable to the County of San Mateo's may be used. The procurement must comply with the applicable laws of the agency awarding the agreement and meet the procurement requirements outlined in this memorandum.

G. Software Licenses/Subscriptions

Software licenses and subscriptions, including SaaS (software as a service) agreements, are considered service agreements under this Administrative Memo and are subject to all applicable requirements, including Board approval for agreements exceeding $200,000.

IV. WAIVERS OF COMPETITIVE REQUIREMENTS

A. Statement of Preference

1. The County's preferred procurement method for goods and services is open and fair competition, ensuring the best value and giving all interested entities an opportunity to participate. Waivers of competitive requirements may be granted when in the County's best interest. Such waivers are described in this memorandum, and the Procurement Director or their designee must approve all waiver requests for contracts over $10,000.

B. Sole Sourcing and Single Sourcing

Sole source and single source procurements should be used only when justified and necessary to meet the County's needs. Requests for award of sole or single source contracts over $10,000 require approval from the Procurement Director or their designee and must include documentation of the due diligence performed that supports the need for a sole or single source award.

1. A sole source procurement is used when only one provider is capable of delivering the required product or service as defined in the Scope of Work or the specifications. It should be used only when one viable provider truly exists for the required product or service and not as an attempt to contract with a favored provider.

2. A single source procurement is used to procure a product or service from one provider without soliciting competition, even when other vendors are available. The requestor must demonstrate that competitive bidding is impracticable or contrary to the public interest. Costs or inconvenience alone associated with a competitive bidding process is not sufficient justification for a single source procurement.

C. Emergency Procurements

1. An "emergency" is a sudden and unforeseen event that presents an immediate and serious threat, requiring prompt action to prevent or reduce harm to life, health, property, or essential public services. Such situations do not allow for delays associated with competitive procurement processes. However, issues like potential loss of funding, fiscal year deadlines, inadequate planning, model changes, or other administrative inconveniences do not qualify as "emergencies" under this Administrative Memorandum and do not justify bypassing the County's competitive procurement requirements.

2. The County's competitive procurement requirements may be waived in the case of emergencies as follows, provided such purchases are documented as emergency purchases and approved as follows:

    a. Greater than $10,000—but not more than $200,000—by either (i) the County Executive Officer or their designee, or (ii) a department director or director's designee and the County Procurement Director or their designee.

    b. Greater than $200,000–by the County Executive Officer or designee or by resolution of the Board of Supervisors, which may be provided retroactively.

3. When the County intends to pursue Federal or State reimbursement for emergency-related expenses, the applicable Federal or State procurement regulations may override County procedures. In such cases, the County must follow those governing rules and may be required to provide supporting documentation, including a justification for non-competitive procurement and/or a cost-price analysis.

4. After the emergency criteria are no longer met, any procurement activities conducted in response to the emergency's aftermath must adhere to the County's standard procurement procedures.

D. Non-Emergency–Specific Grounds for Waiver of the Competitive Procurement Process:

The requirement for competitive procurement may be waived for the following designated goods and services:

1. Legal Needs: Expert witnesses, legal defense, legal advice, or other legal services.

2. Procurement of services for the development, administration, or utilization of licensing and proficiency testing examinations.

3. Equipment Maintenance: Parts and Services for less than $200,000 per year: Procurement of parts, components, services, or repairs for equipment, where a provider, including a distributor or service provider with an exclusive franchise or operating agreement, is the only provider that may install, service, or maintain the purchased equipment; or would void or invalidate a manufacturer's warranty or guarantee.

4. Publication Services and Media Subscriptions: Procurement of notices, advertisements, and publication services used to post notices required by law

or necessary to support County operations; and the procurement of information sources governed by publisher agreement, including subscriptions to newspapers, journals, periodicals, and legal and legislative research platforms. This does not include the performance of services such as consulting and research, nor does it apply to software subscriptions.

5. Memberships in professional organizations.

6. Utility Services: Procurement of gas, electricity, water, sewer, waste disposal, telecommunications, and similar services obtained from a utility or a direct access provider.

7. Medical and Psychiatric Services: Includes psychiatric physician care, urgent medical services, and in-patient hospital psychiatric treatment.

8. Behavioral Health and Human Welfare Services for long-term locked facilities without specialized treatment programs, housing and related support services.

9. Placement-Based Mental Health and Human Services: Encompasses services for clients placed in out-of-county facilities by other agencies, as well as mental health or human services delivered in school placements arranged through individualized education programs by school districts and parents.

E. Approval of non-competitive procurement of goods or services for $10,000 or less

Staff shall exercise due diligence and prioritize obtaining the lowest cost or best value when purchasing goods or services valued at $10,000 or less. Whenever feasible, the County encourages sourcing from local vendors. This provision shall not be used to justify multiple purchases of $10,000 or less from the same vendor in a way that bypasses the County's competitive procurement requirements.

F. Approval of non-competitive procurement of goods or services exceeding $10,000

The Procurement Director, or an authorized designee, may approve a waiver of competitive bidding requirements for goods or services valued up to $200,000. Departments must submit a justification for the waiver through the County's designated procurement platform. The approved waiver request must be retained as part of the official procurement record.

The following reasons are not sufficient to waive competitive requirements:

a. Personal preference; or

b. Specification of an item or service beyond minimum requirements of actual need; or

c. Past use of a provider or supplier; or

d. Failure to plan, impending loss of funds, or fiscal year close; or

e. Desire to save time for a non-emergency procurement

G. Approval of non-competitive contracts exceeding $200,000

A waiver of the competitive procurement process for services exceeding $200,000 requires two approvals: (1) the Procurement Director's authorization following the procedures outlined in this administrative memorandum, and (2) a resolution passed by

the Board of Supervisors. Approval may be granted based on the reasons specified in this memorandum or when deemed in the County's best interest. The resolution must explicitly include the waiver and state the justification for it in the recitals. The formal approval of the waiver must appear in the "NOW THEREFORE IT IS HEREBY DETERMINED AND ORDERED" section of the resolution.

H. Non-competitive contracts with community-based organizations associated with state or federal grants awards

There may be instances where state or federal grants will require the County to name a community-based organization co-applicant as part of a grant application. In such instances County departments shall perform due diligence to select the best co-applicant for the grant.

V. OVERVIEW OF REVIEWING/APPROVING AUTHORITIES

A. Board of Supervisors

1. Approves service contracts that exceed the threshold set forth in California Government Code Section 25502.5.
2. Approves waiver of competitive procurement process for service contracts that exceed the threshold set forth in California Government Code Section 25502.5, where such a waiver is in the County's best interest.
3. Approves waivers or modifications of the requirements in the following chapters of the County Ordinance Code for service contracts exceeding the threshold in California Government Code Section 25502.5:
    - Chapter 2.84 (Equal Benefits and Non-Discrimination Enforcement)
    - Chapter 2.85 (Contractor Employee Jury Service)
    - Chapter 2.88 (Living Wage Pilot Program)
    - Chapter 2.89 (Procurement Preference for Local Business)
4. Approves agreements in which the County provides services in exchange for financial or other consideration from a third party, when such agreement exceeds the threshold set forth in California Government Code Section 25502.5.

B. Department Head or Designee

1. Approves service contracts below the threshold set forth in California Government Code Section 25502.5[1] that result from a best-value procurement process, unless otherwise specified in this memorandum.
2. Approves waivers or modifications to the requirements set forth in the following County Ordinance Code chapters for service contracts below the threshold set forth in California Government Code Section 25502.5:
    - Chapter 2.84 (Equal Benefits and Non-Discrimination Enforcement)

[1] The threshold set forth in Government Code Section 25502.5 is currently $200,000.

- Chapter 2.85 (Contractor Employee Jury Service)
- Chapter 2.88 (Living Wage Pilot Program)

3. Approves revenue agreements in which the County provides services in exchange for financial or other consideration from a third party, when the agreement is below the threshold set forth in California Government Code Section 25502.5.
4. Monitors departmental contracts to ensure compliance with all terms and conditions and evaluates supplier performance, including maintaining required performance metrics.

C. <u>Procurement Department</u>

1. Works with the County Executive and County Attorney's Office to develop, implement, and ensure compliance with procurement policies and procedures.
2. Approves waivers of the competitive procurement process for contracts over $10,000, as allowed under this memorandum. For service contracts exceeding $200,000, this approval is provisional and requires Board approval.
3. Approves waivers or modifications to the requirements in Chapter 2.89 (Procurement Preference for Local Business) of the County Ordinance Code. For service contracts exceeding $200,000, this approval is provisional and requires Board approval.
4. Authorizes amendments that increase a contract's total payment amount above $100,000, up to a maximum of $200,000 for service contracts, if a department did not conduct a formal solicitation.
5. Approves exceptions to the five-year maximum contract term, when permitted under this memorandum.
6. Authorizes the use of internal and external cooperative/piggyback agreements.
7. Provides clarifications and interpretations of procurement rules and regulations.
8. Conducts periodic reviews of solicitations and contracts.
9. Develops, issues, and enforces procurement and contract management policies and procedures.
10. Develops and issues solicitation and contract templates, with assistance from the County Attorney's Office.
11. Authorizes contracts for up to $200,000 for multi-department use that result from a best-value procurement process.
12. Authorizes contracts resulting from price-based competition.
13. Issues and approves purchase orders for goods over $10,000, except for election supplies, in which supplies shall be procured by the County Clerk pursuant to Section 2.83.100 of the County Ordinance Code. Election-related purchases remain subject to the County's competitive solicitation rules.
14. Submits a quarterly report to the Board of Supervisors detailing:
    - All County purchases of goods over $100,000 made in the preceding

quarter; and

- All non-competitive purchases of goods and services over $10,000 that were made in the preceding quarter. Purchases already approved by the Board of Supervisors will not be included in the report.

D. Risk Management

Approves any modifications to insurance requirements, hold harmless/indemnity, or limitation of liability contract language.

E. Technology Services Department

1. Reviews all solicitations and contracts involving IT related goods, and services, or anything affecting the County phone or data network, to ensure compliance with County IT standards.
   Reviews and approves all exceptions or waivers to TSD adopted security practices and policies for service contracts.

F. County Attorney's Office

1. Reviews all service contracts (including contracts for software licenses and subscriptions) that exceed $200,000.
2. Reviews any contract that modifies or does not use a County contract template.
3. Reviews contract amendments that:
   a. Increase the contract amount to more than $200,000, or
   b. Modify any County standard contract template language
4. Reviews all RFPs for work anticipated to exceed $500,000 and may review any other RFPs at the request of a department or a Deputy County Attorney.

G. Real Property Services

Reviews solicitations and contracts involving:

- Acquisition or disposition of real property;
- Loans or grants used for acquiring, disposing, or improving real property;
- Use of non-County owned property by County staff; and
- Use of County-owned or leased real property by external parties

H. Department of Public Works

1. Reviews solicitations and contracts related to facilities work on County-owned buildings.
2. Reviews and administers certain public construction contracts in accordance with County Ordinance Code Chapter 2.55 ("Procedures for Contracting for Public Projects") and Administrative Memorandum B-21, ("Selection of Construction Contractors").