

# 2024 Contract Policy Manual

November 7, 2023

Item #S12C



# 2024 Contract Policy Manual Introduction

The Procurement Ad Hoc Committee was established on November 2, 2021, to review and discuss updates to the CPM

## Procurement Ad Hoc Committee Members

- Andrew Do, Vice Chairman - First District
- Doug Chaffee, Supervisor - Fourth District
- County Counsel
- County Procurement Office

Procurement Ad Hoc Timeline	
January 12, 2022	Ad Hoc Kick-Off Meeting
February 2022 through October 2023	(6) Ad Hoc Meetings, Information Gathering / Data Analysis, Draft Recommendations for Consideration
January 1, 2024	CPM Effective Date <i>To allow time for training of 250 Deputy Procurement Agents on the updated policies, procedures and related documents</i>



# Overview of Revisions



# 2024 Contract Policy Manual

## Consolidation of Current Policies

### Design & Construction Policy Manual (DCPM)

- Consolidate the policies of the CPM and DCPM to ensure one comprehensive procurement manual for transparency and to further enhance standardization of procurement and contracts

### Human Services

- Consolidate the “Human Services Contracts” section of the CPM into the “Services” section to properly align the policies and ensure consistency

# 2024 Contract Policy Manual Enhancement of Current Policy

## Procurement Preference Policy

- Reorganize as its own section and enhance to incorporate eligibility for contractors to qualify for the preference using Orange County Local Small Business (OCLSB) and Disabled Veteran Business Enterprise (DVBE) subcontractors
- Incorporate a three percent (3%) award requirement to OCLSB/DVBE subcontractors for public works projects over \$5,000,000, except as otherwise required or prohibited by Federal or State funding requirements

## Contract Extensions

- Allow extensions of contracts up to one year beyond the fifth year provided there are no monetary increases.  
*For example, additional time may be needed to conduct a solicitation.*

# 2024 Contract Policy Manual

## New Policy Sections

### Real Estate Procurement Policy Section

- Incorporate a documented policy into the one comprehensive procurement manual for transparency and to further enhance standardization of procurement and contracts

### Memorandum of Understanding Policy Section

- Incorporate “Memorandum of Understanding (MOU)” section, which establishes definitions and policies for the use of MOUs

### Cash Alternatives, Food, Travel and Court Ordered Commodities and Services

- Incorporate authority for the procurement of cash alternatives, food, travel and court-ordered commodities/services

# 2024 Contract Policy Manual

## Revisions Overview

### Solicitation Thresholds

- Increase the solicitation thresholds for Commodity, Capital Asset and Service Contracts

Contract Type	Solicitation Method	Previous Threshold	Proposed Threshold
Commodity	One written quote	\$10,000 or less	\$25,000 or less
	Two written quotes	\$10,001 to \$25,000	\$25,001 to \$50,000
	Formal solicitation	Above \$25,000	Above \$50,000
Capital Asset	Two written quotes	\$5,000 to \$25,000	\$5,000 to \$50,000
	Formal solicitation	Above \$25,000	Above \$50,000
Service	One written quote	\$50,000 or less	\$100,000 or less
	Formal solicitation	Above \$50,000	Above \$100,000

# 2024 Contract Policy Manual

## Revisions Overview

### Sole Source

- Revise Sole Source dollar and term thresholds for Service Contracts, including Architect-Engineering (AE) for standardization and consistency

<b>Service Contract and AE Services</b>	<b>Previous Policy</b>	<b>Proposed Policy</b>
<b>Sole Source Justification</b>	\$50,000	\$100,000
<b>Service Board Approval</b>	\$75,000	
<b>AE Board Approval</b>	\$75,000	
<b>Board Approval</b>	Two (2) year maximum term	Five (5) year maximum term



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## Revisions Overview

### Retroactive Contract Approvals

- Increase retroactive contract approval thresholds

Approval Level	Previous Thresholds	Revised Thresholds
Department Head	\$500 or less	No Change
Chief Financial Officer and County Procurement Officer	\$501 - \$10,000	\$501 - \$25,000
Board of Supervisors	Exceeds \$10,000	Exceeds \$25,000

# Thank You

Michelle Aguirre, Chief Financial Officer

Maria Agrusa, County Procurement Officer