

City of Palm Coast, Florida Agenda Item

Agenda Date: April 21, 2026

Agenda Item: G.1

Department FINANCE
Division FINANCE

Amount
Org/Account #

Subject: ORDINANCE 2026-XX REPEALING AND REPLACING CHAPTER 2, ARTICLE 1, DIVISION 3 OF THE CITY OF PALM COAST CODE OF ORDINANCES

Presenter: Nathalie Garcia, Procurement and Contracts Coordinator

Attachments:

1. Presentation
2. Ordinance (Redline and Clean Copy)

Background:

UPDATED BACKGROUND FROM THE MARCH 10, 2026, WORKSHOP

This item was heard by the City Council at their March 10, 2026, Workshop. Council did not suggest any changes to this item.

City staff will be presenting on proposed changes to the City's Purchasing Policy, Chapter 2 Article 1 Division 3 of the City Palm Coast Code of Ordinances. The ordinance was last updated on September 21, 2021.

The proposed changes include the addition of a definitions section, best practice updates with respect to solicitation thresholds, the addition of cooperative purchasing programs, and the addition of a suspension and debarment section.

ORIGINAL BACKGROUND FROM THE MARCH 10, 2026, WORKSHOP:

City staff will be presenting on proposed changes to the City's Purchasing Policy, Chapter 2 Article 1 Division 3 of the City Palm Coast Code of Ordinances. The ordinance was last updated on September 21, 2021. At the end of FY 2025, Plante & Moran conducted a risk assessment. In response, staff reviewed internal processes, met with departments, and consulted with legal counsel to identify potential updates aimed at improving operational efficiencies.

The proposed changes include the addition of a definitions section, best practice updates with respect to solicitation thresholds, the addition of cooperative purchasing programs. City council requested review of Local bidder preference policy on 3/3/26 which is included in the attachments.

In support of the proposed changes, attached to this Agenda Item are:

1. PowerPoint presentation
2. Ordinance amending Procurement Policy

3. Ordinance amending Procurement Policy Redlined

Recommended Action:

ADOPT ORDINANCE 2026-XX REPEALING AND REPLACING CHAPTER 2, ARTICLE 1, DIVISION 3 OF THE CITY OF PALM COAST CODE OF ORDINANCES



Procurement Ordinance Updates

Tuesday, April 21, 2026

Gwen E. Ragsdale, MBA
Budget & Procurement Manager

Nathalie Garcia – Sr. Contracts and Procurement Coordinator

Section 2-23 “Definitions” has been created. The purpose of this addition is to clarify procurement terminology. This section formally defines procurement terms used throughout the policy, including definitions for:

- Invitation to Bid (ITB)
- Request for Proposals (RFP)
- Request for Statement of Qualification (RFSQ)
- Bidder/Proposer
- Blanket Purchase Orders
- Consultants’ Competitive Negotiation Act (CCNA)
- Sole Source



Informal Quotes

Old - \$5,000 to \$29,999
2 or more quotes

New - \$3,000 to \$9,999.99
1 or more quotes

New - \$10,000 to \$49,999.99
2 or more quotes

Formal Request for Quotes on City Procurement Portal

Old - \$30,000 to \$49,999.99

New - \$50,000 to \$99,999.99
2 or more quotes
and posting on City's Procurement Portal

Formal Sealed Competitive Solicitation

Old - \$50,000 and above

New - \$100,000 and above

- Subsection (g) has been removed.



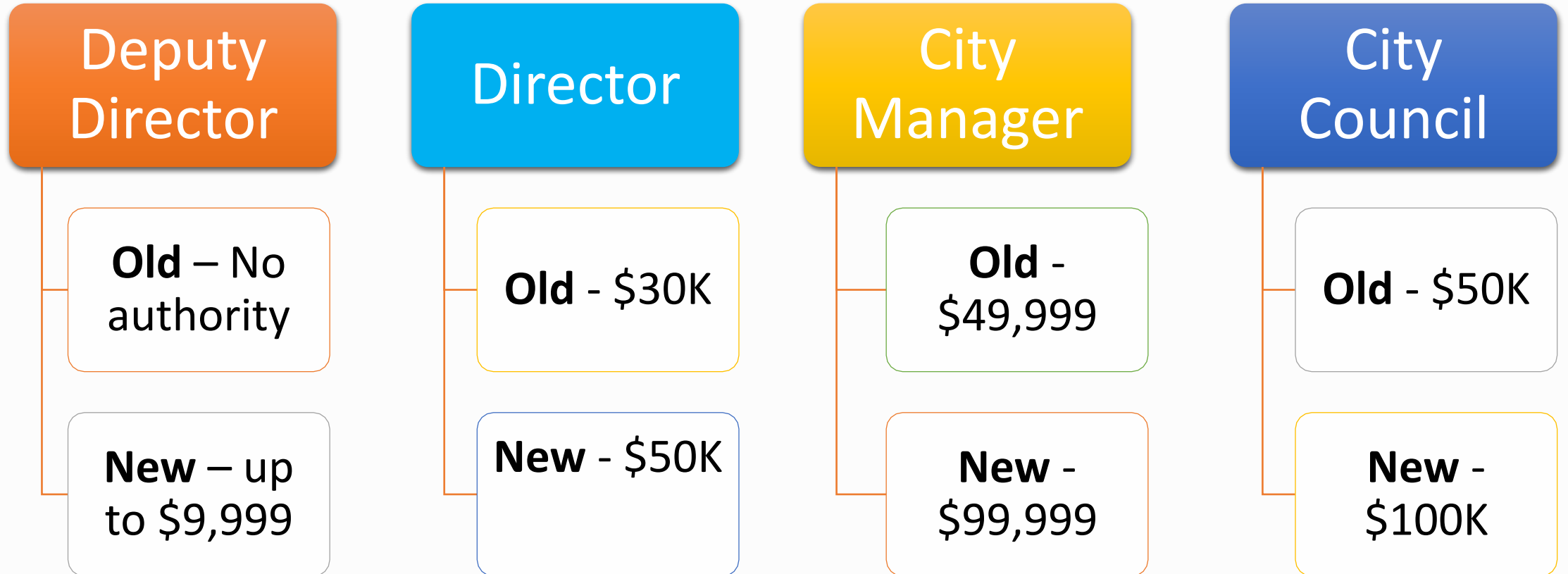
- **Blanket Purchase Orders** shall be managed at the department level and are appropriate when there is an ongoing operational need and will not exceed \$10,000.
- **Cooperative Purchasing Programs**
This addition formally authorizes the City to participate in **cooperative purchasing and joint bidding with other governmental entities** to achieve cost savings and reduce administrative effort.
- **Sole Source procedures expanded**
Sole Source is now clearly defined in Sec. 2-23 and the additional posting requirement of **15 days** has been included.

- **Exemptions List Revised**

The list of items exempt from quotes or solicitation was reorganized. Additions include:

- **Government entity purchases**
- **Accident Insurance Reimbursement**
- **Purchase of Real Property, including Closing Services**
- **Legal services**
- **Training, education services, and conferences.**





Authority: City Manager or designee may suspend or debar vendors in the City's best interest

Applies To: Vendors, contractors, subcontractors, and consultants

Grounds:

- Fraud, theft, or falsification
- Legal or regulatory violations
- Collusion or unethical conduct
- Poor performance or contract non-compliance
- Prior debarment or failure to meet financial obligations

Suspension

- Temporary (not to exceed 2 years)
- Vendor ineligible for new awards during suspension
- Requires notice and opportunity to respond

Permanent Debarment

- For serious violations (e.g., contract default, criminal conviction)
- Requires notice and opportunity to respond
- Vendor excluded from City procurements for duration of debarment



Bid Protest Responsibility Changed

Administrative responsibility changed from
Financial Services Director → Deputy City Manager (or designee)

This applies to:

- Notice of Intent to Award Protests
- Protest determinations
- Appeal bond determination



Action

Hearing Dates

Adoption of
the Ordinance

Second Reading:
Tuesday, May 5, 2026,
9:00AM



ORDINANCE 2026_____
AMENDING PROCUREMENT POLICY

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, AMENDING CHAPTER 2, ARTICLE 1, DIVISION 3-PURCHASES AND CONTRACTUAL SERVICES SECTIONS 2-24 THROUGH 2-31; OF THE *CODE OF ORDINANCES OF THE CITY OF PALM COAST*; CREATING SECTION 2-23 “DEFINITIONS” PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR DEFINITIONS; CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in October 2003, City Council adopted an Ordinance amending Ordinance 2002-06, which provides for the City’s procurement policies; and

WHEREAS, in March 2017, City Council adopted an Ordinance amending Ordinance 2002-06, revising and updating the City’s procurement policies; and

WHEREAS, in October 2021, City Council adopted Ordinance 2021-23, repealing and replacing Sections 2-24 through 2-31 of the City’s Code of Ordinances to further revise and update the City’s procurement policies; and

WHEREAS, the overall goal of the City’s procurement policies is to provide the most appropriate quality of goods and services needed by the City to provide agreed to services to its’ citizens at the least total public expense considering, as a minimum, initial cost, operating and maintenance costs, and estimated useful life; and

WHEREAS, it is the desire of the City Council of the City of Palm Coast to continue to provide the most cost-effective purchases in the competitive marketplace, as well as ensuring fairness and impartiality in the City’s dealings with vendors; and

WHEREAS, to keep with the overall goal and continue to provide the most cost-effective purchases, City Council desires to repeal and replace Chapter 2, Article 1, Division 3 as stated hereinafter.

WHEREAS, words with double underlined type shall constitute additions to the original text and strike through shall constitute deletions to the original text, and asterisks (* * *) indicate that text shall remain unchanged from the language existing prior to adoption of this Ordinance.

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY OF PALM COAST, FLORIDA:

SECTION 1. LEGISLATIVE AND ADMINISTRATIVE FINDINGS. The above recitals (whereas clauses) are hereby adopted as the legislative and administrative findings of the City Council.

SECTION 2. AMENDMENT CHAPTER 2 – ADMINISTRATION, ARTICLE I -IN GENERAL, DIVISION 3. – PURCHASES AND CONTRACTUAL SERVICES OF THE CODE OF ORDINANCES. That Chapter 2 Administration, Article 1, In General, Division 3, Purchases and Contractual Services of the Code of Ordinances of the City of Palm Coast are hereby amended to read as follows:

DIVISION 3. - PURCHASES AND CONTRACTUAL SERVICES

Sec. 2-23. - DEFINITIONS. For the purposes of this Section, the following words and phrases shall be defined as follows:

- (a) Bidder or Proposer means an individual or business that submits a bid or proposal in response to a solicitation issued by the City.
- (b) Blanket Purchase Orders means purchases ordered for recurring, “as-needed” purchases that support multiple transactions for various items from the same vendor.
- (c) Consultants’ Competitive Negotiation Act (CCNA) is a Florida law, codified as Section 287.055 of the Florida Statutes, that governs how state and local government agencies procure professional services, particularly in architecture, engineering, landscape architecture, and land surveying.
- (d) Cooperative Purchasing means procurement conducted by or on behalf of more than one public entity.
- (e) Invitation to Bid (ITB) means an advertised competitive solicitation which includes minimum qualifications and a definitive scope of work or precise specifications, where award(s) is made to the lowest responsive and responsible bidder.
- (f) Joint Bidding is a form of intergovernmental cooperative purchasing in which two (2) or more governmental entities agree on specifications and contract terms and conditions for a given item of common usage and combine their requirements for this item in a single Invitation to bid or Request for Proposal.

- (g) Local Business Preference applies to persons, firms, and/or corporation residing or located in the City of Palm Coast.
- (h) Piggyback or Piggybacking is a procedure of procuring goods or services without the formal solicitation process by means of utilizing another public entities' award of an Invitation to bid or Request for Proposal.
- (i) Professional Services generally refers to services rendered by individuals or entities licensed or authorized to practice a specific profession, such as architecture, engineering, or law. These services are typical defined by Florida Statutes and involve specialized knowledge and skilled acquired through education, training, and licensing.
- (j). Responsive means any person, firm, or corporation who has submitted a response which conforms in all material respects to the solicitation.
- (k) Request for Information (RFI) is a formal document used to gather information from potential suppliers or service provides, typically before a Request for Proposal or Request for Statement of Qualifications.
- (l). Request for Proposals (RFP) means a formal solicitation where the ranking and selection is based on a combination of qualifications and price.
- (m). Request for Statement of Qualifications (RFSQ) means a formal solicitation typically used for Professional services where the initial ranking and selection is based on qualifications without price being used as a factor.
- (n.) Sole Source is when there is only one person or company that can provide the goods and/or services needed because of specialized or unique characteristics of the goods and/or services.

Sec. 2-24. – Quotes and Formal Solicitations

(a) Informal Quotes ~~(\$5,000.00 to \$29,999.99)~~

a. (\$3,000 to \$9,999.99)

Except as provided in this division, procurement of goods or services (including leases) with an estimated value greater than or equal to ~~five thousand three thousand dollars (\$3,000.00) (\$5,000.00)~~ but less than or equal ~~twenty-nine thousand nine hundred ninety-nine and 99/100 dollars~~ nine thousand, nine hundred ninety-nine and 99/100 dollars (\$9,999.99) require ~~one two~~ or more written quotes in accordance with the procedures adopted by the City.

b. ~~Formal Quotes (\$10,000 to \$49,999.99) (\$30,000.00 to \$49,999.99)~~

Except as provided in this division, procurement of goods or services (including leases) with an estimated value greater than or equal to ten thousand dollars (\$10,000.00) but less than or equal to forty-nine thousand, nine hundred ninety-nine and 99/100 dollars

(\$49,999.99) require two or more written quotes in accordance with the procedures adopted by the City.

(b) Formal Request for Quotes (\$50,000.00 to \$99,999.99)

Except as otherwise provided in this division, procurement of goods or services (including leases) with an estimated value greater than or equal to ~~thirty thousand dollars (\$30,000.00)~~ fifty thousand dollars (\$50,000.00) but less than or equal to ~~forty-nine thousand, nine hundred ninety-nine and 99/100 dollars (\$49,999.99)~~ ninety thousand, nine hundred ninety-nine and 99/100 dollars (\$99,999.99) require a formal request for quotes which shall be posted on the City's procurement portal to obtain two or more written quotes. The requesting department shall submit the supporting documentation of proper quote vetting to the procurement staff.

(c) Request for Formal Sealed Competitive ~~Solicitation (\$50,000.00 or greater)~~ (greater than \$100,000.00)

Except as otherwise provided in this division, procurement of goods or services (including leases) with an estimated value greater than ~~fifty thousand dollars (\$50,000.00)~~ one hundred thousand dollars (\$100,000.00) shall require a formal sealed competitive solicitation. Such solicitations may be in the form of an ITB, RFP, RFSQ, RFI, or any other formal solicitation process.

(d) Items may not be purchased in divided quantities to avoid the requirements of this division. For example, a department may have several similar items that are needed for their operation throughout the fiscal year and individually these items are less than ~~\$50,000~~ \$100,000.00 but in aggregate the items are in excess of ~~\$50,000.00~~ \$100,000.00. These items should not be split into several requisitions but should be consolidated and procured following the applicable solicitation process.

(e) The solicitation of competitive bids or proposals for professional services covered by the CCNA shall be accomplished in accordance with the provisions of Section 287.055, Florida Statutes. The City of Palm Coast does not permit the piggybacking of other agency contracts that fall under the scope of the CCNA.

(f) The solicitation of competitive bids or proposals for any City construction project that is projected to cost more than \$200,000 shall be accomplished in accordance with the provisions of Section 255.0525, Florida Statutes.

~~(g) The solicitation of competitive bids or proposals for City utility projects shall be accomplished in accordance with the provisions of Chapter 180, Florida Statutes.~~

(h) Notwithstanding anything contained herein to the contrary, the City reserves its right to reject any quote, bid, or proposal deemed non-responsive or non-responsible at any time prior to award of a contract.

Sec. 2-25. – Exemptions to Quotes and Formal Solicitations

(a) Blanket Purchase Orders, as defined in Section 2-23 of this Ordinance, shall be managed at the department level, these Purchase Orders are appropriate when there is an ongoing operational need. These purchase orders are under ten thousand dollars (\$10,000.00). ~~Small Purchases: Non-recurring purchases of goods or services under five thousand dollars (\$5,000.00).~~

- (b) Emergency Purchase: An emergency exemption occurs when i) certain conditions might adversely affect the life, health, safety and welfare of City employees or citizens of the City, ii) when City property or equipment are endangered, iii) when it is necessary to maintain or restore vital services, or iv) situations arise which may cause major financial impact to the City should immediate action not be taken. In the case of an emergency, the City Manager, or designee may authorize certain imminent needs purchases. Those delegated the authority to implement emergency purchases are authorized to waive the bid process within their authority. A report listing all emergency purchases, and the circumstances of the emergency shall be submitted to the City Council on a monthly basis. It shall be the responsibility of all authorized personnel implementing this exemption to ensure such emergency purchase is accomplished in accordance with City policy and that emergency purchase procedures are invoked properly and not used solely to circumvent the regular established procurement procedures.
- (c) Piggybacking, as defined in Section 1 of this Ordinance, includes but is not limited to piggybacks of State Contracts with the State of Florida, Department of Management Services, and Division of Purchasing, SNAPS Contracts, and Federal GSA contracts.
- (1) The City may forego the formal solicitation process by Piggybacking. The award will be in accordance with all the terms and conditions, prices, time frames, and other criteria as included in the other public entities' ITB or RFP. Additional options may be included in a procurement unless the total dollar value of the options is in excess of the City's bid limit. Expired bids cannot be piggybacked.
 - (2) The City Manager, Department Head, or designee may make purchases/awards, utilizing other public entity bids, provided the contract being piggybacked is approved by City Council, if applicable, the amounts are within the City Council approved budget and the purchase is made in the best interests of the City. For amounts within the City Manager approval authority, the City Manager must approve the piggyback or contract after review by procurement staff. For amounts within the Department Head's approval authority, the Department Head must approve the piggyback or contract after review by procurement staff.
- (d) Cooperative Purchasing Programs:
- It shall be the policy of the City Council that the City participates in the cooperative purchasing programs that are found to provide cost savings to the City through economies of scale and reduction of administrative costs.
- (1) Joint Bidding. Joint bidding is a form of intergovernmental cooperative purchasing in which two (2) or more governmental entities agree on specifications and contract terms and conditions for a given item of common usage and combine their requirements for this item in a single ITB or RFP. Once submittals have been received and discussed by the participating entities, each will administer their procurement process.

- (2) Authority. The City Manager shall have the authority to join with other governmental entities in joint bidding ventures where the best interests of the City will be served.
- (3) Procedures. The following procedures apply to Joint Bidding ventures:
 - a. A lead agency shall be designated to prepare and issue the ITB or RFP on behalf of the participating entities.
 - b. The lead agency shall survey the participating entities for their requirements and prepare the specifications for the Bid for Proposal and a list of vendors for review by the participating entities.
 - c. Lead agency shall solicit, receive, open, and tabulate the Bids or Proposals.
 - d. Responses shall be evaluated based upon the specifications and criteria set forth in the ITB and Bids received, or Request for Proposals and Proposals received, and a recommendation shall be made with respect to the award. Each participating entity shall be responsible for issuing its own contract and making its own payments. Any pre-award disputes related to the specifications or Bids/Proposal process shall be the responsibility of the Lead Agency. Any disputes that arise after the award between a participating entity and the vendor shall be resolved by the entity and the vendor. This does not preclude participating entities from working together to resolve a common dispute.
- (e) ~~Sole Source. Sole Source: Sole source purchasing is when there is only one person or company that can provide the goods and/or services needed because of the specialized or unique characteristics of the goods and/or services.~~
 - (1) The following criteria must be met to procure goods and services that are a sole source.
 - a. It is the only item that will produce the desired results (or fulfill the specific need) and,
 - b. The item is available from only one source of supply, or
 - c. The item is available from more than one vendor, but due to other circumstances (such as exclusive sales territory by manufacturer, prohibitive delivery time and cost, etc.), only one vendor is suited to provide the goods or services.
 - (2) Any purchase of goods and/or services with an estimated value greater than or equal to the amount established under Florida Statute 287.017, Category 2, that is intended to be purchased from a sole source, must be electronically posted, in accordance with Florida Statute 287.057(3) for fifteen (15) days. The notice must include a request that potential vendors provide information regarding their ability to supply the goods and/or services described.
 - (3) Purchases of goods and/or services from a sole source are exempt from competitive requirements upon written approval of the City Manager, or designee and other appropriate City personnel within their expenditure

authority as set forth in this section.

- (4) The request for sole source purchases shall set forth the purpose and need, an explanation why the item will exclusively produce the desired results (or fulfill the specific need) and the criteria. Compatibility to existing equipment shall be an acceptable justification for this exemption, provided the item is only available from a sole source of supply.
 - (5) The user department and/or the buyer shall attempt to locate competition (alternate sources of supply).
 - (6) Procurement staff shall keep a log of sole source purchases, which includes the vendor's name, the amount, item description, justification, and the purchase order number, which shall be filed with the City Manager and reported monthly to the City Council.
 - (7) Procurement staff shall conduct negotiations, as appropriate, as to price, delivery, and terms.
- (f) Special Circumstances: Under circumstances where, after competitive bidding, no bids meeting bid requirements are received, or all bids are rejected for failure to meet bid requirements.
- (g) Additional Exemptions: The purchase of the following goods and services is exempt from quotes and formal solicitations.
- (1) Water, Sewer, Gas, Electric, ~~and Other Utility Services~~; Telecommunication Services including, but not limited to, cable television, telephone lines, internet connectivity, data and voice circuits, voice over internet protocol ("VOIP"), cellular/wireless phones, wide area network ("WAN") connectivity, pagers, and wireless adapters for cellular data ("air cards"); Internet, Cable, Satellite, and other Utility Services.
 - (2) Postage
 - (3) Advertisements
 - (4) Memberships ~~fees, dues, books, subscriptions, and publications~~
 - (5) ~~Subscriptions~~ Any items covered under the City's travel policy
 - (6) ~~Any items covered under the City's travel policy~~ Software/Technology Maintenance and Support renewal fees for existing software or technology licenses
 - (7) ~~Software/Technology Maintenance and Support renewal fees for existing software or technology licenses~~ Goods and/or services provided by governmental entities
 - (8) Accident Insurance Reimbursement
 - (9) Purchase of Real Property, including Closing Services
 - (10) Title Insurance
 - (11) Legal Services
 - (12) Training, education services, and conferences

Sec. 2-26. - Approval requirements

- (a) City Council approval shall be required for all contracts and bid awards, piggybacking awards, and sole source awards with an estimated value greater than or equal to ~~fifty thousand dollars (\$50,000.00)~~ one-hundred thousand dollars (\$100,000.00).
- (b) The City Manager or designee shall have approval authority as follows:
- (1) Any purchases less than or equal to ~~forty-nine thousand, nine hundred ninety-nine and 99/100 dollars (\$49,999.99)~~ eighty-nine thousand, nine hundred ninety-nine and 99/100 dollars (\$99,999.99); or
 - (2) Any purchases of goods and services, excluding capital purchases, pursuant to contracts and bid awards, piggybacking awards, and sole source awards approved by City Council and as set out in the annual budget as adopted by the City Council.
 - (3) Any purchases of capital items, goods, and services as set forth in a Resolution adopted by City Council.
- (c) Department heads or their designee shall have authority to approve purchases of capital items, goods, and services less than or equal to ~~thirty thousand dollars (\$30,000.00)~~ fifty thousand dollars (\$50,000.00), where such purchase does not exceed the item and/or department budget limit.
- (d) Deputy Directors or their designee shall have authority to approve purchases of goods or services less than or equal to nine thousand, nine hundred ninety-nine and 99/100 dollars (\$9,999.99), where such purchase does not exceed the item and/or department budget item.
- (e) Emergency purchases shall be accomplished in accordance with section 2-25(B).

Sec. 2-27. - Additional procedures/powers of City Manager

- (a) The City Manager is hereby granted authority to adopt all such additional administrative policies and procedures supplemental to the provisions of this division that are in the best interests of the City, and not inconsistent with the intent of this division.

(b) Suspension and Debarment

- (a) Authority. The City Manager, or their designee, shall have the authority to suspend or debar any person or entity from participating in City procurements when it is determined to be in the best interest of the City. Suspension or debarment may apply to a vendor, contractor, subcontractor, consultant, or any other party seeking to do business with the City (“Vendor”).
- (b) Causes for Suspension. A vendor may be suspended for a period not exceed to two (2) years as determined by the City Manager upon adequate evidence of any of the following:
- (1) Vendor defaults or fails to perform in accordance with the terms, conditions, and/or specifications of a solicitation or contract with the City.
 - (2) The vendor is charged by information or indictment for fraud, theft,

embezzlement, bribery, falsification or destruction of records, making false statements, receiving stolen property, or any other offense indicating a lack of business integrity or honesty. If the charges are dismissed or the vendors is found not guilty, the suspension shall be lifted automatically upon written notification and proof of final disposition provided to the City by the vendor.

- (3) The vendor is charged by information or indictment with the commission of a criminal offense in connection with obtaining or attempting to obtain a public or private contract or subcontract or in the performance of a public or private contract or subcontract.
- (4) Violation of any federal, state, or local law, regulation, or ordinance related to the submission of bids or performance of public contracts.
- (5) The vendor violates the ethical standards set forth in local, state, or federal law.
- (6) Collusion with another vendor or contractor in the submission of a bid or proposal.
- (7) The vendor commits any fraud or misrepresentation in connection with a vendor registration, Affidavit Designation, solicitation, or contract with the City
- (8) The vendor becomes insolvent, has proceedings in bankruptcy instituted against it, compounds its debts, or assigns over its estate or effects for payment thereof, or has a receiver or trustee appointed over its property.
- (9) A record of unsatisfactory performance on one (1) or more contracts with the City.
- (10) Debarment or suspension by any other governmental entity.
- (11) Failure to pay taxes, fees, or other financial obligations owed to the City.
- (12) Any other cause so serious or compelling as to affect the present responsibility of the vendor or contractor.

(c) Suspension.

- (1) The City Manager, or designee, may suspend a vendor or contractor pending the completion of an investigation when there is probable cause to believe that grounds for suspension exist.
- (2) Suspension shall be for a temporary period not to exceed two (2) years unless extended for good cause.
- (3) A suspended vendor or contractor shall not be eligible to submit bids, proposals, or quotes, or be awarded a City contract during the period of suspension unless the City determines there is a compelling reason to do so.

(d) Permanent Debarment.

- (1) Default or failure to fully comply with the conditions, specifications, drawings or terms of a solicitation or contract with the City.
 - (2) Conviction in a court of competent jurisdiction for commission of those offenses stated in paragraphs 2 and 3 of subsection B of this Section, in connection with the vendor's commercial enterprise. If the conviction is reversed through the appellate process, the debarment shall be removed upon written notification and proof of final court disposition from vendor to the City.
 - (3) A debarred vendor or contractor shall be excluded from participating in City procurements for the duration of the debarment.
- (e) Notice. The City shall provide written notice via certified mail to the vendor or contractor of the proposed suspension or debarment. The notice shall include:
- (1) The reasons for the proposed action;
 - (2) The effective date of the action;
 - (3) The duration of the suspension or proposed debarment; and
 - (4) The vendor's right to respond or dispute the suspension or debarment.
- (f) Opportunity to Respond.
- (1) If the vendor or contractor disagrees with the suspension or debarment, they shall have seven (7) business days from the date of receipt of notice to rebut the suspension or debarment.
 - (2) Written notification must be sent to the City's Contract and Procurement Division outlining the points of disagreement.
 - (3) The City Manager will review the vendor's rebuttal, and a finding will be sent to the vendor either upholding or denying the suspension/debarment.
 - (4) If the vendor does not dispute the suspension or the debarment within the seven (7) days period, the suspension or debarment will be deemed acknowledged and the vendors waives its rebuttal rights.
- (g) Decision. After review of the information provided, the City Manager or designee shall issue a written determination affirming, modifying, or rescinding the suspension or debarment.
- (h) Effect of Suspension or Debarment. Unless otherwise determined by the City Manager or designee for compelling reasons:
- (1) The City shall not solicit bids, proposals, or quotes from a suspended or debarred vendor.
 - (2) The City shall not award contracts to a suspended or debarred vendor.

- (3) Existing contracts may continue if termination is not in the best interest of the City.
- (i) Federal Compliance. When federal funds are involved, the City shall comply with applicable federal suspension and debarment requirements and shall verify vendor eligibility through the System for Award Management (SAM.gov) Exclusions List prior to contract award.

Sec. 2-28. - Disposal of surplus property

Surplus property may be disposed of by trade, sealed bid, donated, or sold at public auction depending on the item, its value, or other factors all as may be in accordance with law and City policy. If the surplus property is determined to be only of scrap value or have no commercial value, City staff is authorized sell the surplus property as scrap if possible or dispose in any other appropriate manner. City Council may approve of disposal of surplus property that has commercial value by any method other than as provided herein.

Sec. 2-29. – Intent to Award and Award Protest Procedures

(a) Intent to Award Protest Procedure

- (1) In any case where a bidder wishes to protest the results of an intended disposition of any bid, the following action is required:
 - a. The bidder must file a written protest to the ~~Financial Services Director~~ Deputy City Manager or designee explaining in detail the nature of the protest and the grounds on which it is based. This protest must be received by the ~~Financial Services Director~~ Deputy City Manager or designee no later than three (3) business days after the City's Notice of Intent to Award.
 - b. The ~~Financial Services Director~~ Deputy City Manager or designee shall respond in writing to the written protest in a timely manner, determine whether the protest is with or without merit, and revise the administrative decision or recommendation, if necessary.
- (2) In any case where a bidder wishes to appeal the ~~Financial Services Director~~ Deputy City Manager or designee's protest determination, the following action is required:
 - a. The bidder must file a written appeal to the City Manager explaining in detail the nature of the appeal and the grounds on which it is based. This written appeal must be received by the City Manager no later than three (3) business days after the Deputy City Manager or designee's written protest determination. Each written appeal must be accompanied by a bid protest appeal bond in the form of a certified check, cashier's check or money order made payable to the City of Palm Coast, in the amount not less than five percent (5%) of the lowest responsive bid and in an amount to secure any City damages or costs arising from the appeal, to be determined by the ~~Financial Services Director~~ Deputy City Manager or designee. In the case of request for qualifications where there is no bid amount, the bond amount shall be an amount to be determined by the ~~Financial Services Director~~ Deputy City Manager or designee, however, in

an amount no less than \$10,000.

- b. Upon timely receipt of the formal written appeal and bid protest appeal bond, the City Manager shall respond in writing to the written appeal, determine whether the appeal is with or without merit, and revise the administrative decision or recommendation, if necessary.
- (3) In any case where a bidder wishes to appeal the determination by the City Manager, the following action is required:
 - a. The bidder must file a written appeal to City Council, addressed to the City Clerk, explaining in detail the nature of the appeal and the grounds on which it is based. This notice must be received by the City Clerk no later than three (3) business days after the date of the City Manager's written response.
 - b. The City Clerk shall schedule the bid protest appeal to be heard at an upcoming City Council meeting and provide all relevant documents in the agenda package.
 - c. The bidder must attend the scheduled City Council meeting. City staff and the bidder will be provided an opportunity to present evidence related to the bid protest appeal.
 - d. At the scheduled City Council meeting, City Council will determine whether the appeal is with or without merit, and revise the administrative decision or recommendation, if necessary.
 - (4) Upon receipt by the ~~Financial Services Director~~ Deputy City Manager or designee of the written protest to the City's Notice of Intent to Award, the final bid award shall be delayed until the entirety of the protest procedure, as herein described, has been completed.

(b) Award Protest Procedure

- (1) Should the City Council make an award to a bidder, other than the bidder selected in the Notice of Intent to Award, the only bidder with the right to protest the award and file a written appeal is the selected bidder identified in the Notice of Intent to Award. A City Council decision not to make an award to any bidder is not appealable. Each written appeal must be accompanied by a bid protest appeal bond in the form of a certified check, cashier's check or money order made payable to the City of Palm Coast, in an amount not less than five percent (5%) of the lowest responsive bid and in an amount to secure any City damages or costs arising from the appeal, to be determined by the ~~Financial Services Director~~ Deputy City Manager or designee. In the case of request for qualifications where there is no bid amount, the bond amount shall be an amount to be determined by the ~~Financial Services Director~~ Deputy City Manager or designee, however, in an amount no less than \$10,000. The following action is required to protest an award:
 - a. The bidder must file a written appeal to City Council, addressed to the City Clerk, explaining in detail the nature of the appeal and the grounds upon

which it is based. This notice must be received by the City Clerk no later than three (3) business days after the date of the City Council's award. At that time, the final bid award shall be delayed until the protest procedure, as herein described, has been completed, unless City Council decides to otherwise move forward with the award.

- b. The City Clerk shall schedule the bid protest appeal to be heard at an upcoming City Council meeting and provide all relevant documents in the agenda package.
 - c. The protesting bidder must attend the scheduled City Council meeting. City staff and the bidder will be provided an opportunity to present their position on the bid protest appeal and evidence to the City Council.
 - d. At the scheduled City Council meeting, City Council shall determine whether the appeal is with or without merit, and revise their prior decision, if necessary, or City Council may, at its discretion, order that the appeal be heard by a Hearing Officer pursuant to Chapter 2, Article III, Division 3 of this Code of Ordinances.
 - e. If the City Council refers the appeal to a Hearing Officer, the protesting bidder must attend the Hearing Officer hearing. City staff and the bidder will be provided an opportunity to present their position on the bid protest appeal and evidence to the Hearing Officer. The Hearing Officer will determine whether the appeal is with or without merit and provide a recommendation to the City Council as to whether or not the City Council should revise its prior decision.
 - f. The City Council shall have final decision-making authority on all award protest appeals.
- (2) The bid protest bond shall be forfeited to the City if one of the following occurs:
- a. The bid protest appeal is determined to be without merit or non-valid by the City Manager and no further appeal is filed;
 - b. The bid protest appeal is determined to be without merit or non-valid by the City Council, or
 - c. The bidder who filed the appeal did not attend the scheduled City Council meeting and/or Hearing Officer meeting.

Sec. 2-30. – Local Business Preference

- (a) Excepted as provided in this division or as may be exempted by applicable State or Federal law, a local business preference shall apply to all purchases or acquisitions of products, materials, and services of the City of Palm Coast. Local Business Preference, as defined in Section 1 of this Ordinance, shall meet the established criteria set forth below. In all quotes and formal solicitations covered in Section 2-24 of this division, qualified Palm Coast persons, firms, and/or corporations shall receive a local business preference. The Local Business Preference as set forth

herein shall apply and shall result in the otherwise qualified local Palm Coast business being awarded the contract, at the amount of the submitted quote or bid, if the local Palm Coast vendor's quote or bid is the next lowest bid and the bid amount is within the applicable percentage of the lowest bid submitted by a non-local business, as set forth herein.

(b) If the Local Business Preference does not result in the Palm Coast business being awarded the contract, then the Local Business Preference applies to persons, firms, and/or corporations residing or located in Flagler County, which meet the established criteria, set forth below. In all quotes and formal solicitations covered in Section 2-24 of this division, qualified persons, firms, and/or corporations shall receive a local business preference. The Local Business Preference as set forth herein shall apply and shall result in the otherwise qualified Flagler County business being awarded the contract, at the amount of the submitted quote or bid, if the local vendor's quote or bid is the next lowest bid and the bid amount is within the applicable percentage of the lowest bid submitted by a non-local business, as set forth herein.

(c) Local Business Preference Amounts and Limit are as follows:

- (1) Five percent (5%) of the net quote or bid price up to \$200,000.00 as referenced on the quote tabulation or bid price schedule.
- (2) Three percent (3%) of the net bid price above \$200,000.00 as referenced on the bid price schedule.
- (3) The total local business preference shall be limited to \$20,000.00 for each quote or project.

Example: Local Business Bid of \$250,000 would be provided a Local Business Preference of \$11,500.00. $((5\% \times \$200,000.00) + (3\% \times \$50,000.00))$

(d) To qualify as a Palm Coast person, firm and/or corporation, a vendor must have its headquarters, manufacturing facility, or locally-owned franchise located in, or having a street address within, the legal boundaries of the City of Palm Coast for at least one (1) year immediately prior to the request for a quote or formal bid solicitation (Post office boxes do not qualify as a verifiable business address).

(e) To qualify as a Flagler County person, firm and/or corporation, a vendor must have its headquarters, manufacturing facility, or locally-owned franchise located in, or having a street address within, the legal boundaries of Flagler County for at least one (1) year immediately prior to the request for a quote or formal bid solicitation (Post office boxes do not qualify as a verifiable business address).

(f) Local Business Preference shall not apply to:

- (1) Purchases that are funded in whole or part by assistance from any federal, state, or local agency that disallows local preference;
- (2) Purchases exempt from obtaining quotes or soliciting formal proposals or bids as described in Sec. 2-25. – Exemptions to Quotes and Formal Solicitations.

- (g) The local business preference established in this section does not prohibit the right of the City Council or other purchasing authority to compare quality or fitness for use of supplies, materials, equipment and services proposed for purchase and compare qualifications, character, responsibility and fitness of all persons, firms, or corporations submitting bids or proposals.
- (h) Application of local businesses preference to a particular purchase, contract, or category of contracts for which the City Council is the awarding authority may be waived upon written justification and recommendation by the City Manager and approval of the City Council.
- (i) The local business preference established in this section does not prohibit the City Council, or other authorized purchasing authority, from giving any other preference permitted by law in addition to the local business preference.

Sec. 2-31 – Public-Private Partnerships

- (a) The submission by private entities and the processing by City of public-private partnership (P3) Proposals, whether solicited or unsolicited, shall be in accordance with Section 255.065 Florida Statutes.
- (b) The City Manager may establish a reasonable application fee for the submission of unsolicited P3 proposals. If the initial application fee does not cover the City’s costs to evaluate the unsolicited proposal, the City Manager may request in writing the additional amounts required. The private entity must pay the requested additional amounts within 30 days after receipt of the noticed request. The City may stop its review of the unsolicited proposal if the private entity fails to pay the additional amounts. If the City does not evaluate the unsolicited proposal, the City must return the application fee.
- (c) The City Manager or designee shall have the authority to decide whether to evaluate any unsolicited proposals. Should the City Manager or designee decide not to evaluate the unsolicited proposal, the City shall return the evaluation fee.
- (d) The City Manager or designee shall have the authority to solicit proposals from other parties in accordance with Section 255.065 Florida Statutes for the same or similar P3 concept of any unsolicited proposal, whether or not the unsolicited proposal has been evaluated.

SECTION 3. SEVERABILITY. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance.

SECTION 4. CODIFICATION. It is the intention of the City Council of the City of Palm Coast, Florida, and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Palm Coast, Florida; that the Sections of this Ordinance may be renumbered or re-lettered to accomplish such intention; that the word, “Ordinance” may be changed to “Section,” “Article,” or other appropriate word.

SECTION 5. CONFLICTS. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION 6. EFFECTIVE DATE. This Ordinance shall become effective immediately upon its passage and adoption.

APPROVED on first reading this [redacted] day of [redacted] 2026.

ADOPTED on second reading after due public notice and hearing this [redacted] day of [redacted] 2026.

ATTEST:

CITY OF PALM COAST

KALEY COOK, CITY CLERK

MICHAEL NORRIS, MAYOR

APPROVED AS TO FORM AND LEGALITY

MARCUS DUFFY, CITY ATTORNEY

ORDINANCE 2026_____
AMENDING PROCUREMENT POLICY

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, AMENDING CHAPTER 2, ARTICLE 1, DIVISION 3-PURCHASES AND CONTRACTUAL SERVICES SECTIONS 2-24 THROUGH 2-31; OF THE *CODE OF ORDINANCES OF THE CITY OF PALM COAST*; CREATING SECTION 2-23 “DEFINITIONS” PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR DEFINITIONS; CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in October 2003, City Council adopted an Ordinance amending Ordinance 2002-06, which provides for the City’s procurement policies; and

WHEREAS, in March 2017, City Council adopted an Ordinance amending Ordinance 2002-06, revising and updating the City’s procurement policies; and

WHEREAS, in October 2021, City Council adopted Ordinance 2021-23, repealing and replacing Sections 2-24 through 2-31 of the City’s Code of Ordinances to further revise and update the City’s procurement policies; and

WHEREAS, the overall goal of the City’s procurement policies is to provide the most appropriate quality of goods and services needed by the City to provide agreed to services to its’ citizens at the least total public expense considering, as a minimum, initial cost, operating and maintenance costs, and estimated useful life; and

WHEREAS, it is the desire of the City Council of the City of Palm Coast to continue to provide the most cost-effective purchases in the competitive marketplace, as well as ensuring fairness and impartiality in the City’s dealings with vendors; and

WHEREAS, to keep with the overall goal and continue to provide the most cost-effective purchases, City Council desires to repeal and replace Chapter 2, Article 1, Division 3 as stated hereinafter.

WHEREAS, words with double underlined type shall constitute additions to the original text and strike through shall constitute deletions to the original text, and asterisks (*

* *) indicate that text shall remain unchanged from the language existing prior to adoption of this Ordinance.

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY OF PALM COAST, FLORIDA:

SECTION 1. LEGISLATIVE AND ADMINISTRATIVE FINDINGS. The above recitals (whereas clauses) are hereby adopted as the legislative and administrative findings of the City Council.

SECTION 2. AMENDMENT CHAPTER 2 – ADMINISTRATION, ARTICLE I -IN GENERAL, DIVISION 3. – PURCHASES AND CONTRACTUAL SERVICES OF THE CODE OF ORDINANCES. That Chapter 2 Administration, Article 1, In General, Division 3, Purchases and Contractual Services of the Code of Ordinances of the City of Palm Coast are hereby amended to read as follows:

DIVISION 3. - PURCHASES AND CONTRACTUAL SERVICES

Sec. 2-23. - DEFINITIONS. For the purposes of this Section, the following words and phrases shall be defined as follows:

- (a) Bidder or Proposer means an individual or business that submits a bid or proposal in response to a solicitation issued by the City.
- (b) Blanket Purchase Orders means purchases ordered for recurring, “as-needed” purchases that support multiple transactions for various items from the same vendor.
- (c) Consultants’ Competitive Negotiation Act (CCNA) is a Florida law, codified as Section 287.055 of the Florida Statutes, that governs how state and local government agencies procure professional services, particularly in architecture, engineering, landscape architecture, and land surveying.
- (d) Cooperative Purchasing means procurement conducted by or on behalf of more than one public entity.
- (e) Invitation to Bid (ITB) means an advertised competitive solicitation which includes minimum qualifications and a definitive scope of work or precise specifications, where award(s) is made to the lowest responsive and responsible bidder.
- (f) Joint Bidding is a form of intergovernmental cooperative purchasing in which two (2) or more governmental entities agree on specifications and contract terms and conditions for a given item of common usage and combine their requirements for this item in a single Invitation to bid or Request for Proposal.

- (g) Local Business Preference applies to persons, firms, and/or corporation residing or located in the City of Palm Coast.
- (h) Piggyback or Piggybacking is a procedure of procuring goods or services without the formal solicitation process by means of utilizing another public entities' award of an Invitation to bid or Request for Proposal.
- (i) Professional Services generally refers to services rendered by individuals or entities licensed or authorized to practice a specific profession, such as architecture, engineering, or law. These services are typical defined by Florida Statutes and involve specialized knowledge and skilled acquired through education, training, and licensing.
- (j). Responsive means any person, firm, or corporation who has submitted a response which conforms in all material respects to the solicitation.
- (k) Request for Information (RFI) is a formal document used to gather information from potential suppliers or service provides, typically before a Request for Proposal or Request for Statement of Qualifications.
- (l). Request for Proposals (RFP) means a formal solicitation where the ranking and selection is based on a combination of qualifications and price.
- (m). Request for Statement of Qualifications (RFSQ) means a formal solicitation typically used for Professional services where the initial ranking and selection is based on qualifications without price being used as a factor.
- (n.) Sole Source is when there is only one person or company that can provide the goods and/or services needed because of specialized or unique characteristics of the goods and/or services.

Sec. 2-24. – Quotes and Formal Solicitations

- (a) Informal Quotes (~~\$5,000.00 to \$29,999.99~~)

- a. (\$3,000 to \$9,999.99)

Except as provided in this division, procurement of goods or services (including leases) with an estimated value greater than or equal to ~~five thousand three thousand dollars (\$3,000.00) (\$5,000.00)~~ but less than or equal to ~~twenty-nine thousand nine hundred ninety-nine and 99/100 dollars~~ nine thousand, nine hundred ninety-nine and 99/100 dollars (\$9,999.99) require ~~one two~~ or more written quotes in accordance with the procedures adopted by the City.

- b. Formal Quotes (\$10,000 to \$49,999.99) (\$30,000.00 to \$49,999.99)

Except as provided in this division, procurement of goods or services (including leases) with an estimated value greater than or equal to ten thousand dollars (\$10,000.00) but less than or equal to forty-nine thousand, nine hundred ninety-nine and 99/100 dollars

(\$49,999.99) require two or more written quotes in accordance with the procedures adopted by the City.

(b) Formal Request for Quotes (\$50,000.00 to \$99,999.99)

Except as otherwise provided in this division, procurement of goods or services (including leases) with an estimated value greater than or equal to ~~thirty thousand dollars (\$30,000.00)~~ fifty thousand dollars (\$50,000.00) but less than or equal to ~~forty nine thousand, nine hundred ninety nine and 99/100 dollars (\$49,999.99)~~ ninety thousand, nine hundred ninety-nine and 99/100 dollars (\$99,999.99) require a formal request for quotes which shall be posted on the City's procurement portal to obtain two or more written quotes. The requesting department shall submit the supporting documentation of proper quote vetting to the procurement staff.

(c) Request for Formal Sealed Competitive Solicitation (\$50,000.00 or greater) (greater than \$100,000.00)

Except as otherwise provided in this division, procurement of goods or services (including leases) with an estimated value greater than ~~fifty thousand dollars (\$50,000.00)~~ one hundred thousand dollars (\$100,000.00) shall require a formal sealed competitive solicitation. Such solicitations may be in the form of an ITB, RFP, RFSQ, RFI, or any other formal solicitation process.

(d) Items may not be purchased in divided quantities to avoid the requirements of this division. For example, a department may have several similar items that are needed for their operation throughout the fiscal year and individually these items are less than ~~\$50,000~~ \$100,000.00 but in aggregate the items are in excess of ~~\$50,000.00~~ \$100,000.00. These items should not be split into several requisitions but should be consolidated and procured following the applicable solicitation process.

(e) The solicitation of competitive bids or proposals for professional services covered by the CCNA shall be accomplished in accordance with the provisions of Section 287.055, Florida Statutes. The City of Palm Coast does not permit the piggybacking of other agency contracts that fall under the scope of the CCNA.

(f) The solicitation of competitive bids or proposals for any City construction project that is projected to cost more than \$200,000 shall be accomplished in accordance with the provisions of Section 255.0525, Florida Statutes.

~~(g) The solicitation of competitive bids or proposals for City utility projects shall be accomplished in accordance with the provisions of Chapter 180, Florida Statutes.~~

(h) Notwithstanding anything contained herein to the contrary, the City reserves its right to reject any quote, bid, or proposal deemed non-responsive or non-responsible at any time prior to award of a contract.

Sec. 2-25. – Exemptions to Quotes and Formal Solicitations

(a) Blanket Purchase Orders, as defined in Section 2-23 of this Ordinance, shall be managed at the department level, these Purchase Orders are appropriate when there is an ongoing operational need. These purchase orders are under ten thousand dollars (\$10,000.00). ~~Small Purchases: Non-recurring purchases of goods or services under five thousand dollars (\$5,000.00).~~

- (b) **Emergency Purchase:** An emergency exemption occurs when i) certain conditions might adversely affect the life, health, safety and welfare of City employees or citizens of the City, ii) when City property or equipment are endangered, iii) when it is necessary to maintain or restore vital services, or iv) situations arise which may cause major financial impact to the City should immediate action not be taken. In the case of an emergency, the City Manager, or designee may authorize certain imminent needs purchases. Those delegated the authority to implement emergency purchases are authorized to waive the bid process within their authority. A report listing all emergency purchases, and the circumstances of the emergency shall be submitted to the City Council on a monthly basis. It shall be the responsibility of all authorized personnel implementing this exemption to ensure such emergency purchase is accomplished in accordance with City policy and that emergency purchase procedures are invoked properly and not used solely to circumvent the regular established procurement procedures.
- (c) **Piggybacking,** as defined in Section 1 of this Ordinance, includes but is not limited to piggybacks of State Contracts with the State of Florida, Department of Management Services, and Division of Purchasing, SNAPs Contracts, and Federal GSA contracts.
- (1) The City may forego the formal solicitation process by Piggybacking. The award will be in accordance with all the terms and conditions, prices, time frames, and other criteria as included in the other public entities' ITB or RFP. Additional options may be included in a procurement unless the total dollar value of the options is in excess of the City's bid limit. Expired bids cannot be piggybacked.
 - (2) The City Manager, Department Head, or designee may make purchases/awards, utilizing other public entity bids, provided the contract being piggybacked is approved by City Council, if applicable, the amounts are within the City Council approved budget and the purchase is made in the best interests of the City. For amounts within the City Manager approval authority, the City Manager must approve the piggyback or contract after review by procurement staff. For amounts within the Department Head's approval authority, the Department Head must approve the piggyback or contract after review by procurement staff.

(d) Cooperative Purchasing Programs:

It shall be the policy of the City Council that the City participates in the cooperative purchasing programs that are found to provide cost savings to the City through economies of scale and reduction of administrative costs.

- (1) Joint Bidding. Joint bidding is a form of intergovernmental cooperative purchasing in which two (2) or more governmental entities agree on specifications and contract terms and conditions for a given item of common usage and combine their requirements for this item in a single ITB or RFP. Once submittals have been received and discussed by the participating entities, each will administer their procurement process.

- (2) Authority. The City Manager shall have the authority to join with other governmental entities in joint bidding ventures where the best interests of the City will be served.
 - (3) Procedures. The following procedures apply to Joint Bidding ventures:
 - a. A lead agency shall be designated to prepare and issue the ITB or RFP on behalf of the participating entities.
 - b. The lead agency shall survey the participating entities for their requirements and prepare the specifications for the Bid for Proposal and a list of vendors for review by the participating entities.
 - c. Lead agency shall solicit, receive, open, and tabulate the Bids or Proposals.
 - d. Responses shall be evaluated based upon the specifications and criteria set forth in the ITB and Bids received, or Request for Proposals and Proposals received, and a recommendation shall be made with respect to the award. Each participating entity shall be responsible for issuing its own contract and making its own payments. Any pre-award disputes related to the specifications or Bids/Proposal process shall be the responsibility of the Lead Agency. Any disputes that arise after the award between a participating entity and the vendor shall be resolved by the entity and the vendor. This does not preclude participating entities from working together to resolve a common dispute.
- (e) ~~Sole Source. Sole Source: Sole source purchasing is when there is only one person or company that can provide the goods and/or services needed because of the specialized or unique characteristics of the goods and/or services.~~
- (1) The following criteria must be met to procure goods and services that are a sole source.
 - a. It is the only item that will produce the desired results (or fulfill the specific need) and,
 - b. The item is available from only one source of supply, or
 - c. The item is available from more than one vendor, but due to other circumstances (such as exclusive sales territory by manufacturer, prohibitive delivery time and cost, etc.), only one vendor is suited to provide the goods or services.
 - (2) Any purchase of goods and/or services with an estimated value greater than or equal to the amount established under Florida Statute 287.017, Category 2, that is intended to be purchased from a sole source, must be electronically posted, in accordance with Florida Statute 287.057(3) for fifteen (15) days. The notice must include a request that potential vendors provide information regarding their ability to supply the goods and/or services described.
 - (3) Purchases of goods and/or services from a sole source are exempt from competitive requirements upon written approval of the City Manager, or designee and other appropriate City personnel within their expenditure

authority as set forth in this section.

- (4) The request for sole source purchases shall set forth the purpose and need, an explanation why the item will exclusively produce the desired results (or fulfill the specific need) and the criteria. Compatibility to existing equipment shall be an acceptable justification for this exemption, provided the item is only available from a sole source of supply.
 - (5) The user department and/or the buyer shall attempt to locate competition (alternate sources of supply).
 - (6) Procurement staff shall keep a log of sole source purchases, which includes the vendor's name, the amount, item description, justification, and the purchase order number, which shall be filed with the City Manager and reported monthly to the City Council.
 - (7) Procurement staff shall conduct negotiations, as appropriate, as to price, delivery, and terms.
- (f) Special Circumstances: Under circumstances where, after competitive bidding, no bids meeting bid requirements are received, or all bids are rejected for failure to meet bid requirements.
- (g) Additional Exemptions: The purchase of the following goods and services is exempt from quotes and formal solicitations.
- (1) ~~Water, Sewer, Gas, Electric, and Other Utility Services; Telecommunication Services including, but not limited to, cable television, telephone lines, internet connectivity, data and voice circuits, voice over internet protocol ("VOIP"), cellular/wireless phones, wide area network ("WAN") connectivity, pagers, and wireless adapters for cellular data ("air cards").~~ Internet, Cable, Satellite, and other Utility Services.
 - (2) Postage
 - (3) Advertisements
 - (4) Memberships fees, dues, books, subscriptions, and publications
 - (5) ~~Subscriptions~~ Any items covered under the City's travel policy
 - (6) ~~Any items covered under the City's travel policy~~ Software/Technology Maintenance and Support renewal fees for existing software or technology licenses
 - (7) ~~Software/Technology Maintenance and Support renewal fees for existing software or technology licenses~~ Goods and/or services provided by governmental entities
 - (8) Accident Insurance Reimbursement
 - (9) Purchase of Real Property, including Closing Services
 - (10) Title Insurance
 - (11) Legal Services
 - (12) Training, education services, and conferences

Sec. 2-26. - Approval requirements

- (a) City Council approval shall be required for all contracts and bid awards, piggybacking awards, and sole source awards with an estimated value greater than or equal to ~~fifty thousand dollars (\$50,000.00)~~ one-hundred thousand dollars (\$100,000.00).
- (b) The City Manager or designee shall have approval authority as follows:
 - (1) Any purchases less than or equal to ~~forty-nine thousand, nine hundred ninety-nine and 99/100 dollars (\$49,999.99)~~ eighty-nine thousand, nine hundred ninety-nine and 99/100 dollars (\$99,999.99); or
 - (2) Any purchases of goods and services, excluding capital purchases, pursuant to contracts and bid awards, piggybacking awards, and sole source awards approved by City Council and as set out in the annual budget as adopted by the City Council.
 - (3) Any purchases of capital items, goods, and services as set forth in a Resolution adopted by City Council.
- (c) Department heads or their designee shall have authority to approve purchases of capital items, goods, and services less than or equal to ~~thirty thousand dollars (\$30,000.00)~~ fifty thousand dollars (\$50,000.00), where such purchase does not exceed the item and/or department budget limit.
- (d) Deputy Directors or their designee shall have authority to approve purchases of goods or services less than or equal to nine thousand, nine hundred ninety-nine and 99/100 dollars (\$9,999.99), where such purchase does not exceed the item and/or department budget item.
- (e) Emergency purchases shall be accomplished in accordance with section 2-25(B).

Sec. 2-27. - Additional procedures/powers of City Manager

- (a) The City Manager is hereby granted authority to adopt all such additional administrative policies and procedures supplemental to the provisions of this division that are in the best interests of the City, and not inconsistent with the intent of this division.

(b) Suspension and Debarment

- (a) Authority. The City Manager, or their designee, shall have the authority to suspend or debar any person or entity from participating in City procurements when it is determined to be in the best interest of the City. Suspension or debarment may apply to a vendor, contractor, subcontractor, consultant, or any other party seeking to do business with the City (“Vendor”).
- (b) Causes for Suspension. A vendor may be suspended for a period not exceed to two (2) years as determined by the City Manager upon adequate evidence of any of the following:
 - (1) Vendor defaults or fails to perform in accordance with the terms, conditions, and/or specifications of a solicitation or contract with the City.
 - (2) The vendor is charged by information or indictment for fraud, theft,

embezzlement, bribery, falsification or destruction of records, making false statements, receiving stolen property, or any other offense indicating a lack of business integrity or honesty. If the charges are dismissed or the vendors is found not guilty, the suspension shall be lifted automatically upon written notification and proof of final disposition provided to the City by the vendor.

- (3) The vendor is charged by information or indictment with the commission of a criminal offense in connection with obtaining or attempting to obtain a public or private contract or subcontract or in the performance of a public or private contract or subcontract.
- (4) Violation of any federal, state, or local law, regulation, or ordinance related to the submission of bids or performance of public contracts.
- (5) The vendor violates the ethical standards set forth in local, state, or federal law.
- (6) Collusion with another vendor or contractor in the submission of a bid or proposal.
- (7) The vendor commits any fraud or misrepresentation in connection with a vendor registration, Affidavit Designation, solicitation, or contract with the City
- (8) The vendor becomes insolvent, has proceedings in bankruptcy instituted against it, compounds its debts, or assigns over its estate or effects for payment thereof, or has a receiver or trustee appointed over its property.
- (9) A record of unsatisfactory performance on one (1) or more contracts with the City.
- (10) Debarment or suspension by any other governmental entity.
- (11) Failure to pay taxes, fees, or other financial obligations owed to the City.
- (12) Any other cause so serious or compelling as to affect the present responsibility of the vendor or contractor.

(c) Suspension.

- (1) The City Manager, or designee, may suspend a vendor or contractor pending the completion of an investigation when there is probable cause to believe that grounds for suspension exist.
- (2) Suspension shall be for a temporary period not to exceed two (2) years unless extended for good cause.
- (3) A suspended vendor or contractor shall not be eligible to submit bids, proposals, or quotes, or be awarded a City contract during the period of suspension unless the City determines there is a compelling reason to do so.

(d) Permanent Debarment.

- (1) Default or failure to fully comply with the conditions, specifications, drawings or terms of a solicitation or contract with the City.
 - (2) Conviction in a court of competent jurisdiction for commission of those offenses stated in paragraphs 2 and 3 of subsection B of this Section, in connection with the vendor's commercial enterprise. If the conviction is reversed through the appellate process, the debarment shall be removed upon written notification and proof of final court disposition from vendor to the City.
 - (3) A debarred vendor or contractor shall be excluded from participating in City procurements for the duration of the debarment.
- (e) Notice. The City shall provide written notice via certified mail to the vendor or contractor of the proposed suspension or debarment. The notice shall include:
- (1) The reasons for the proposed action;
 - (2) The effective date of the action;
 - (3) The duration of the suspension or proposed debarment; and
 - (4) The vendor's right to respond or dispute the suspension or debarment.
- (f) Opportunity to Respond.
- (1) If the vendor or contractor disagrees with the suspension or debarment, they shall have seven (7) business days from the date of receipt of notice to rebut the suspension or debarment.
 - (2) Written notification must be sent to the City's Contract and Procurement Division outlining the points of disagreement.
 - (3) The City Manager will review the vendor's rebuttal, and a finding will be sent to the vendor either upholding or denying the suspension/debarment.
 - (4) If the vendor does not dispute the suspension or the debarment within the seven (7) days period, the suspension or debarment will be deemed acknowledged and the vendors waives its rebuttal rights.
- (g) Decision. After review of the information provided, the City Manager or designee shall issue a written determination affirming, modifying, or rescinding the suspension or debarment.
- (h) Effect of Suspension or Debarment. Unless otherwise determined by the City Manager or designee for compelling reasons:
- (1) The City shall not solicit bids, proposals, or quotes from a suspended or debarred vendor.
 - (2) The City shall not award contracts to a suspended or debarred vendor.

- (3) Existing contracts may continue if termination is not in the best interest of the City.
- (i) Federal Compliance. When federal funds are involved, the City shall comply with applicable federal suspension and debarment requirements and shall verify vendor eligibility through the System for Award Management (SAM.gov) Exclusions List prior to contract award.

Sec. 2-28. - Disposal of surplus property

Surplus property may be disposed of by trade, sealed bid, donated, or sold at public auction depending on the item, its value, or other factors all as may be in accordance with law and City policy. If the surplus property is determined to be only of scrap value or have no commercial value, City staff is authorized sell the surplus property as scrap if possible or dispose in any other appropriate manner. City Council may approve of disposal of surplus property that has commercial value by any method other than as provided herein.

Sec. 2-29. – Intent to Award and Award Protest Procedures

(a) Intent to Award Protest Procedure

- (1) In any case where a bidder wishes to protest the results of an intended disposition of any bid, the following action is required:
 - a. The bidder must file a written protest to the ~~Financial Services Director~~ Deputy City Manager or designee explaining in detail the nature of the protest and the grounds on which it is based. This protest must be received by the ~~Financial Services Director~~ Deputy City Manager or designee no later than three (3) business days after the City's Notice of Intent to Award.
 - b. The ~~Financial Services Director~~ Deputy City Manager or designee shall respond in writing to the written protest in a timely manner, determine whether the protest is with or without merit, and revise the administrative decision or recommendation, if necessary.
- (2) In any case where a bidder wishes to appeal the ~~Financial Services Director~~ Deputy City Manager or designee's protest determination, the following action is required:
 - a. The bidder must file a written appeal to the City Manager explaining in detail the nature of the appeal and the grounds on which it is based. This written appeal must be received by the City Manager no later than three (3) business days after the Deputy City Manager or designee's written protest determination. Each written appeal must be accompanied by a bid protest appeal bond in the form of a certified check, cashier's check or money order made payable to the City of Palm Coast, in the amount not less than five percent (5%) of the lowest responsive bid and in an amount to secure any City damages or costs arising from the appeal, to be determined by the ~~Financial Services Director~~ Deputy City Manager or designee. In the case of request for qualifications where there is no bid amount, the bond amount shall be an amount to be determined by the ~~Financial Services Director~~ Deputy City Manager or designee, however, in

an amount no less than \$10,000.

- b. Upon timely receipt of the formal written appeal and bid protest appeal bond, the City Manager shall respond in writing to the written appeal, determine whether the appeal is with or without merit, and revise the administrative decision or recommendation, if necessary.
- (3) In any case where a bidder wishes to appeal the determination by the City Manager, the following action is required:
 - a. The bidder must file a written appeal to City Council, addressed to the City Clerk, explaining in detail the nature of the appeal and the grounds on which it is based. This notice must be received by the City Clerk no later than three (3) business days after the date of the City Manager's written response.
 - b. The City Clerk shall schedule the bid protest appeal to be heard at an upcoming City Council meeting and provide all relevant documents in the agenda package.
 - c. The bidder must attend the scheduled City Council meeting. City staff and the bidder will be provided an opportunity to present evidence related to the bid protest appeal.
 - d. At the scheduled City Council meeting, City Council will determine whether the appeal is with or without merit, and revise the administrative decision or recommendation, if necessary.
 - (4) Upon receipt by the ~~Financial Services Director~~ Deputy City Manager or designee of the written protest to the City's Notice of Intent to Award, the final bid award shall be delayed until the entirety of the protest procedure, as herein described, has been completed.

(b) Award Protest Procedure

- (1) Should the City Council make an award to a bidder, other than the bidder selected in the Notice of Intent to Award, the only bidder with the right to protest the award and file a written appeal is the selected bidder identified in the Notice of Intent to Award. A City Council decision not to make an award to any bidder is not appealable. Each written appeal must be accompanied by a bid protest appeal bond in the form of a certified check, cashier's check or money order made payable to the City of Palm Coast, in an amount not less than five percent (5%) of the lowest responsive bid and in an amount to secure any City damages or costs arising from the appeal, to be determined by the ~~Financial Services Director~~ Deputy City Manager or designee. In the case of request for qualifications where there is no bid amount, the bond amount shall be an amount to be determined by the ~~Financial Services Director~~ Deputy City Manager or designee, however, in an amount no less than \$10,000. The following action is required to protest an award:
 - a. The bidder must file a written appeal to City Council, addressed to the City Clerk, explaining in detail the nature of the appeal and the grounds upon

which it is based. This notice must be received by the City Clerk no later than three (3) business days after the date of the City Council's award. At that time, the final bid award shall be delayed until the protest procedure, as herein described, has been completed, unless City Council decides to otherwise move forward with the award.

- b. The City Clerk shall schedule the bid protest appeal to be heard at an upcoming City Council meeting and provide all relevant documents in the agenda package.
 - c. The protesting bidder must attend the scheduled City Council meeting. City staff and the bidder will be provided an opportunity to present their position on the bid protest appeal and evidence to the City Council.
 - d. At the scheduled City Council meeting, City Council shall determine whether the appeal is with or without merit, and revise their prior decision, if necessary, or City Council may, at its discretion, order that the appeal be heard by a Hearing Officer pursuant to Chapter 2, Article III, Division 3 of this Code of Ordinances.
 - e. If the City Council refers the appeal to a Hearing Officer, the protesting bidder must attend the Hearing Officer hearing. City staff and the bidder will be provided an opportunity to present their position on the bid protest appeal and evidence to the Hearing Officer. The Hearing Officer will determine whether the appeal is with or without merit and provide a recommendation to the City Council as to whether or not the City Council should revise its prior decision.
 - f. The City Council shall have final decision-making authority on all award protest appeals.
- (2) The bid protest bond shall be forfeited to the City if one of the following occurs:
- a. The bid protest appeal is determined to be without merit or non-valid by the City Manager and no further appeal is filed;
 - b. The bid protest appeal is determined to be without merit or non-valid by the City Council, or
 - c. The bidder who filed the appeal did not attend the scheduled City Council meeting and/or Hearing Officer meeting.

Sec. 2-30. – Local Business Preference

- (a) Excepted as provided in this division or as may be exempted by applicable State or Federal law, a local business preference shall apply to all purchases or acquisitions of products, materials, and services of the City of Palm Coast. Local Business Preference, as defined in Section 1 of this Ordinance, shall meet the established criteria set forth below. In all quotes and formal solicitations covered in Section 2-24 of this division, qualified Palm Coast persons, firms, and/or corporations shall receive a local business preference. The Local Business Preference as set forth

herein shall apply and shall result in the otherwise qualified local Palm Coast business being awarded the contract, at the amount of the submitted quote or bid, if the local Palm Coast vendor's quote or bid is the next lowest bid and the bid amount is within the applicable percentage of the lowest bid submitted by a non-local business, as set forth herein.

(b) If the Local Business Preference does not result in the Palm Coast business being awarded the contract, then the Local Business Preference applies to persons, firms, and/or corporations residing or located in Flagler County, which meet the established criteria, set forth below. In all quotes and formal solicitations covered in Section 2-24 of this division, qualified persons, firms, and/or corporations shall receive a local business preference. The Local Business Preference as set forth herein shall apply and shall result in the otherwise qualified Flagler County business being awarded the contract, at the amount of the submitted quote or bid, if the local vendor's quote or bid is the next lowest bid and the bid amount is within the applicable percentage of the lowest bid submitted by a non-local business, as set forth herein.

(c) Local Business Preference Amounts and Limit are as follows:

- (1) Five percent (5%) of the net quote or bid price up to \$200,000.00 as referenced on the quote tabulation or bid price schedule.
- (2) Three percent (3%) of the net bid price above \$200,000.00 as referenced on the bid price schedule.
- (3) The total local business preference shall be limited to \$20,000.00 for each quote or project.

Example: Local Business Bid of \$250,000 would be provided a Local Business Preference of \$11,500.00. $((5\% \times \$200,000.00) + (3\% \times \$50,000.00))$

(d) To qualify as a Palm Coast person, firm and/or corporation, a vendor must have its headquarters, manufacturing facility, or locally-owned franchise located in, or having a street address within, the legal boundaries of the City of Palm Coast for at least one (1) year immediately prior to the request for a quote or formal bid solicitation (Post office boxes do not qualify as a verifiable business address).

(e) To qualify as a Flagler County person, firm and/or corporation, a vendor must have its headquarters, manufacturing facility, or locally-owned franchise located in, or having a street address within, the legal boundaries of Flagler County for at least one (1) year immediately prior to the request for a quote or formal bid solicitation (Post office boxes do not qualify as a verifiable business address).

(f) Local Business Preference shall not apply to:

- (1) Purchases that are funded in whole or part by assistance from any federal, state, or local agency that disallows local preference;
- (2) Purchases exempt from obtaining quotes or soliciting formal proposals or bids as described in Sec. 2-25. – Exemptions to Quotes and Formal Solicitations.

- (g) The local business preference established in this section does not prohibit the right of the City Council or other purchasing authority to compare quality or fitness for use of supplies, materials, equipment and services proposed for purchase and compare qualifications, character, responsibility and fitness of all persons, firms, or corporations submitting bids or proposals.
- (h) Application of local businesses preference to a particular purchase, contract, or category of contracts for which the City Council is the awarding authority may be waived upon written justification and recommendation by the City Manager and approval of the City Council.
- (i) The local business preference established in this section does not prohibit the City Council, or other authorized purchasing authority, from giving any other preference permitted by law in addition to the local business preference.

Sec. 2-31 – Public-Private Partnerships

- (a) The submission by private entities and the processing by City of public-private partnership (P3) Proposals, whether solicited or unsolicited, shall be in accordance with Section 255.065 Florida Statutes.
- (b) The City Manager may establish a reasonable application fee for the submission of unsolicited P3 proposals. If the initial application fee does not cover the City’s costs to evaluate the unsolicited proposal, the City Manager may request in writing the additional amounts required. The private entity must pay the requested additional amounts within 30 days after receipt of the noticed request. The City may stop its review of the unsolicited proposal if the private entity fails to pay the additional amounts. If the City does not evaluate the unsolicited proposal, the City must return the application fee.
- (c) The City Manager or designee shall have the authority to decide whether to evaluate any unsolicited proposals. Should the City Manager or designee decide not to evaluate the unsolicited proposal, the City shall return the evaluation fee.
- (d) The City Manager or designee shall have the authority to solicit proposals from other parties in accordance with Section 255.065 Florida Statutes for the same or similar P3 concept of any unsolicited proposal, whether or not the unsolicited proposal has been evaluated.

SECTION 3. SEVERABILITY. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance.

SECTION 4. CODIFICATION. It is the intention of the City Council of the City of Palm Coast, Florida, and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Palm Coast, Florida; that the Sections of this Ordinance may be renumbered or re-lettered to accomplish such intention; that the word, “Ordinance” may be changed to “Section,” “Article,” or other appropriate word.

SECTION 5. CONFLICTS. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION 6. EFFECTIVE DATE. This Ordinance shall become effective immediately upon its passage and adoption.

APPROVED on first reading this 21st day of April 2026.

ADOPTED on second reading after due public notice and hearing this 5th day of May 2026.

ATTEST:

CITY OF PALM COAST

KALEY COOK, CITY CLERK

MICHAEL NORRIS, MAYOR

APPROVED AS TO FORM AND LEGALITY

MARCUS DUFFY, CITY ATTORNEY