



## PP-O4-06 LARGE PURCHASES

### I. OVERVIEW

A Large Purchase is a procurement of materials, supplies, equipment or personal (non-professional and non-construction related) services equal to or greater than the formal bid threshold. Public Contract Code section 20651 requires that these transactions be formally bid. Formal bidding, also referred to as “sealed bidding” or “formal advertising,” is handled by the Contracts and Purchasing Section in the Business Services Division of the District Office. Generally, the Contracts Unit transacts personal services and leasing while the Purchasing Unit procures materials, supplies and equipment.

The purpose of the sealed bidding process is to create a fair, equitable and objective process for qualified suppliers of a particular product to compete for the District’s business on a “blind bid” basis (each bidder does not know what its competitors are offering). Ultimately, the goal of a sealed bid process is to award contract to the lowest responsible and responsive bidder.

### II. PROCESS

#### A. Bidding Process

- 1. Specifications** – The requestor will initiate the bidding process by preparing and submitting to the Contracts and Purchasing Section a set of specifications for the items to be purchased or personal services to be performed. In addition, if time is of the essence, the requestor will specify the timeframe within which the procurement must be concluded. When preparing the specifications, the requestor will take care not to be so specific or restrictive that competition is unduly limited as a result. Where a brand name is used in the specifications to better define the product being sought, the words “or equal” will follow to convey that other brand name products equal or superior in characteristics to the brand name stated may be proposed as part of the bid. If possible, a requestor should also provide with the bid specifications a list of suggested suppliers who should be sent the bid packet.
- 2. Notice** – A formal bid process requires public notification. The Contracts and Purchasing Section will advertise for bids in accordance with Education Code section 81641. A notice requesting sealed bids will be published at least once a week for two weeks in a newspaper of general circulation in the district or if there is no such paper, the county. The notice must include, at a minimum: (a) a statement of



work to be done or materials, supplies or equipment to be furnished; and (b) when and where the bids will be opened. If a pre-bid conference or job walk is scheduled, the date, time and place of the meeting may also be included in the notice.

Bid notices also may be advertised in trade journals or other publications targeted at suppliers of the items being procured. To supplement the advertising, the Contracts and Purchasing Section may send copies of the bid notice or the solicitation itself, called an Invitation For Bids (IFB), to suppliers that have asked to receive such solicitations or which have been identified by the requestor or District as potential bidders. Finally, a copy of the IFB also will be posted on the LACCD Website.

**3. IFB Document** –The IFB will be prepared by the Contracts and Purchasing Section and generally contain the following information and documents:

- Background on the District, the requesting college (if applicable), and other information relevant to describing the District as a prospective customer;
- Explanation of why the specified products or services are needed;
- Instructions to bidders on how and where to submit their bids;
- Location, date and time of any pre-bid conference/job walk that is scheduled;
- Requirements for bid security (if any) and other required submittals to accompany the bid;
- Specifications (or Scope of Work) for what is being procured;
- Bid Form (for IFBs) or Price Proposal Form (for RFPs), on which the offeror enters its identifying information, pricing and signature;
- Terms and conditions of the contract to be offered to the successful bidder, if award is made;
- Miscellaneous forms and instructions.

**4. Changes to the IFB** – Any material changes to the IFB will be made by the Contracts and Purchasing Section only through written addenda distributed to all who received the original IFB. Distribution may be made by first-class US Mail, email, facsimile or personal delivery to addresses or fax numbers furnished by the IFB recipients. A copy of the addendum will also be posted on the LACCD Website along with the original IFB. Issuance of an addendum will be provided far enough in advance of the bid-submittal deadline to provide a reasonable period



of time for bidders to receive the addendum and adjust their bids accordingly; otherwise, the bid-submittal deadline must be extended.

- 5. Pre-bid Meeting** – Whenever it is deemed necessary in order to facilitate the communication of information between the District and prospective bidders, a pre-bid meeting will be convened by the District prior to the bid-submittal deadline. The date, time and place of the meeting will be noticed in the same manner that the IFB is advertised. The pre-bid meeting may be conducted at the site where the product is to be delivered or the work is to be performed and conducted as a “job-walk” for prospective bidders. Any questions and answers of a material nature from the pre-bid meeting, together with any material changes to the IFB announced at the meeting by District representatives, will be documented in an addendum sent to all recipients of the original IFB and posted on the LACCD Website.
- 6. Bid Submission** – Sealed bids will be accepted up to the noticed date and time. Time and date of receipt will be mechanically stamped, or handwritten accompanied by the signature of the recipient, on the outside wrapper of the bid. Bids received after the deadline will not be opened but will be returned to the bidder. Bids may be delivered in person by the bidder, through the US Mail or via a private third-party carrier (e.g., overnight delivery or courier service), but in no event will a delay caused by such delivery method be allowed by the District as a valid reason for acceptance of a late bid. Only if the District is the direct cause of late receipt of a bid will such bid be accepted. Faxed, emailed or otherwise unsealed bids will not be accepted.
- 7. Withdrawal of Bids** – Once submitted, a bid may be withdrawn by the bidder at any time prior to the deadline for submittal of bids. Thereafter, a bid may be withdrawn only with the consent of the District as specified under “Bid Mistake” below and in accordance with the Public Contract Code.
- 8. Bid Opening** – A public bid opening will be conducted immediately after the bid deadline or as soon as practicable thereafter. All bids will remain sealed until the public opening. Any bids opened prematurely in error will be immediately resealed and the outside signed by the opener; the reason for the premature opening will be announced at the public opening.

The bids will be read out loud identifying the vendor name and amount of bid. Once all bids are read the “apparent low bidder” will be identified after which anyone wishing to review the bids will be permitted to do so for a reasonable period in the presence of District staff. All originals of bids must remain with the Contracts and Purchasing Section. Anyone desiring copies of the bids may request



this of the Contracts and Purchasing Section and will be charged the then-prevailing rate for reproduction. At the discretion of the District, copies may be provided upon request at the bid opening or sent to the requestor within a reasonable time thereafter.

- 9. Bid and Bidder Evaluation** – After the bid opening the Contracts and Purchasing Section will review the apparent low bid to determine if it is “responsive” to the IFB requirements as to completeness and conformance to the bid instructions. In addition, the apparent low bidder will be investigated to determine if it is a “responsible” business and suitable prospective contractor to the District. If either (a) the bid is deemed “non-responsive” to the IFB requirements, or (b) the bidder is deemed non-responsible, then the apparent low bid will be set aside (pending action by the Board of Trustees) and the above evaluation process will be repeated with the second low bid. This process will continue until a bid and bidder are deemed responsive and responsible and eligible for award.

If a bidder is deemed non-responsible or non-responsive as a result of the bid evaluation, the bidder will be notified in writing of the finding with information supporting the determination. A non-responsible or non-responsive bidder may request further review by the Director of Business Services, a hearing on the matter before the District Board of Trustees or its designee. If the non-responsive bidder does not agree with the further review findings of the Director, the bidder may request an appeal to the Deputy Chancellor or Chancellor. If the bidder does not accept the appeal determination by the Deputy Chancellor or Chancellor, the bidder may request a hearing on the matter before the District Board of Trustees or its designee. If the bidder does not request further review, within five (5) business days of receipt of the notice, the finding of non-responsibility will be deemed final and presented to the Board of Trustees at the time a recommendation for contract award is made.

More detailed information on the process of award protests and appeals can be found in 04-09.

- 10. Bid Rejection** – The Board of Trustees may reject any and all bids for any reason and may choose to re-advertise the bid. The Board may also reject the lowest bid(s) as being non-responsive to the IFB requirements, or because the bidder was deemed non-responsible, and award to the next lowest responsive and responsible bidder.

**11. Bid Mistake**

- a) Material Bid Mistake** – A mistake that materially changes the bid submitted. This type of mistake may include, but is not limited to, errors in pricing or bid specifications to the extent that the bidder



asserts it is not able to perform in accordance with its bid. If a bid mistake is asserted after the deadline for the receipt of bids, the bidder's only remedy is to seek withdrawal of its bid; the bid may not be altered in any way to correct the alleged mistake. The bidder will be permitted to withdraw its bid only for reason of a clerical error in accordance with the Public Contract Code and only with the consent of the District.

In order to receive relief in the form of bid withdrawal, the bidder must produce proof to the District's satisfaction of a material clerical error in the calculation of the bid price or other part of the bid. The District will have sole discretion whether to permit the withdrawal of the bid or let the bid stand as submitted. A request to withdraw a bid, together with proof of clerical error, must be submitted in writing to the Contracts and Purchasing Manager, within five (5) business days after the date bids were due.

If relief is granted, the District will prepare a written report of reasons for excusing the bidder from the mistake. The report will be made available for inspection as a public record. If relief is denied, the bidder will be notified in writing by the District.

- b) Immaterial Bid Mistake** – If a bid mistake occurred which is deemed by the District to be immaterial to the bid and the IFB process, the District may waive the immaterial deviations from the IFB and accept the bid, with or without corrections.
- B. Award** – Award, if made, will be made by the Board of Trustees at a regular public meeting to (a) the lowest responsible bidder meeting the requirements of the IFB, or (b) one of the three (3) lowest responsible bidders or proposers in the case of technology products procured pursuant to Education Code section 81645. Before authorizing an award, the Board also must decide the following: (1) the rejection of any bids as non-responsive or bidders as non-responsive; (2) granting of relief to a bidder requesting bid withdrawal due to a material mistake; and (3) disposition of any protests against the proposed award received with the required time. All bidders will be notified in writing of the recommendation of award or the actual bid award as approved by the Board. Any vendor that had submitted a bid shall have five (5) working days from the date of notice to protest a bid award made to another vendor.
- C. Recordkeeping** – A copy of the original IFB, including all addenda issued thereto, and originals of all bids, correspondence and other bidder-generated documents will be retained by the Contracts and Purchasing Section for the duration of the contract awarded, if any,



and thereafter for the period required by the District's records retention policy.

The District is subject to the California Public Records Act set forth in Government Code sections 6250-6270. As such, bids, correspondence and other bid-generated documents are subject to public inspection, unless otherwise excluded by the Public Records Act. For this reason, bidders are to be instructed to identify in their bid all information they deem to be proprietary in nature. Identification of information as "proprietary" by the bidder does not guarantee non-disclosure of the information if public disclosure is otherwise mandated by law.

### **III. LEGAL AUTHORITY AND CITATIONS**

Public Contract Code sections 20650-20660, 5100-5110

Education Code sections 81550 et seq, 81641, 81651

Government Code sections 10298, 53060

Board Rules 7100 and 7102.16

04-02 – Types of Transactions

Asset Management sections AM-00-03-02

Government Code sections 6250-6270