MID-BAY BRIDGE AUTHORITY

PROCUREMENT POLICY

The policy of the Mid-Bay Bridge Authority ("Authority") is to use contracting methods that streamline the acquisition process and facilitate the procurement of goods and services quickly and easily. The results should include less paperwork and lower costs for both the contractor and the Authority. Furthermore, goods and services which are not required by law to be procured pursuant to competitive bids will be procured in a manner so as to assure the prudent and economical use of funds and in the best interest of bond holders and users of the Authority's system in order to facilitate the acquisition of quality goods and services at a reasonable cost while guarding against favoritism, improvidence, extravagance, fraud, and corruption.

The Authority will first procure goods and services within the funding limits of its annual budget through Okaloosa County and State of Florida pre-priced contracts to the extent practicable (e.g., copier, printer, furnishings). If pre-priced contracts are not available, the Executive Director may non-competitively procure goods and services in compliance with its annual budget, State law, and the following purchase limits:

- Supplies: $3,000 single purchase/$5,000 annual aggregate amount (e.g., computer, electronics, office supplies, furniture)
- Services: $2,500 single purchase/$5,000 annual aggregate amount (e.g., cleaning, pest control, DAC)
- Construction: $2,000 single purchase/$20,000 annual aggregate amount

Contracts that exceed these limits require at least 3 written quotes and approval of the full Authority by majority vote.

State Contracts. State contract prices may be used without further negotiations.

Gulf Coast Purchasing Cooperative (GCPC). Items may be purchased from bids advertised by the GCPC without further competitive research. Items purchased from these bids will be subject to approval per the Approval Authority thresholds.

Orders in excess of Purchase Limits. For orders in excess of the aforementioned purchase limits, three (3) WRITTEN quotations are required. If unable to obtain three (3) quotes, documentation is required to document the attempts made and/or an explanation as to why three (3) quotes are unattainable.

Capital Improvement Construction Projects. Capital Improvement Construction Projects will be procured competitively. Each capital project must first receive a total project cost parameter approved by the Authority. Included in this total cost will be parameters set for significant components of the proposed capital project. Each significant component must be well defined with specifications and dollar limits prior to engaging in the project. It is the policy of the Authority that whenever the established significant component of a project is exceeded in cost by the lesser of $10,000 or 20% of the cost of the project it must be re-addressed by the Authority for, a possible

change in action. This change in action could include proceeding with the project as originally bid or rebidding the project. An analysis of the project is required to support all actions taken by the Authority. Upon receipt of the facts as well as possible advantages and disadvantages of re-bidding this project, the Executive Director shall make the appropriate recommendation to the Authority for its consideration.

Engineer Consultant Services. Engineer Consultant services not procured via County or State contracts will be procured in accordance with the Consultant's Competitive Negotiation Act. Options to extend the services due to performance will be included in the solicitation's request for proposals/request for qualifications.

Continuing Services. The Authority's business model is to sustain a very small staff of two (2) personnel to oversee daily operations, infrastructure, planning, and processes. The Authority has purposely chosen to leverage continuing services on an as needed basis from the private sector to reduce expenses and remain agile while only leveraging these services when needed. As such, the Authority values continuity and demonstrated performance for these services and as a matter of policy will continue its engagement for the following services at the funding levels included in its annual budget, absent any performance issues.

- Accountant
- Audit
- Advertising and Marketing
- Bond Counsel
- Bond Trustee
- Bond Underwriter
- Financial Advisor
- Legal Counsel
- Lobbyist
- Mid-Bay Bridge Inspection

Exceptions for Emergency Situations. Emergency situations allow for an exception to the statutory competitive bidding requirements. An emergency situation in no way relieves the Authority from procuring materials and/or services at the lowest possible cost under the circumstances. The procurement under an emergency situation must seek competition by informal solicitation of quotes or otherwise, to the extent practicable under the circumstances. All emergency situation procurements must be later supported by written memorandum indicating the cause and possible effect of the emergency; the solution to the emergency which will be resolved by obtaining materials and/or services under the guise of an emergency situation; and details regarding each of the informal solicitations made and the reasoning for the selection of vendor providing the Authority with the procurement materials and/or services. Emergency purchases which require the expenditure of more than $50,000 will be approved by the Executive Director and are subject to review by the Authority thereafter. The occurrence of an emergency occurrence is unlikely because primary responsibility for these type services are an operations and maintenance

responsibility of the FDOT under the Authority's lease purchase agreement. An emergency exists under this policy when:

- a situation arises out of an accident or other unforeseen occurrence or condition
- the circumstances· affects public buildings, public property or the life, health, and safety or property of the Authority's employees or the public
- the situation requires immediate action on the part of the Authority which cannot await competitive bidding.

Sole Source Items. The Authority recognizes that it is not required to seek procurement through competitive bidding for materials and/or services which uniquely serve the public interest for which there is no substantial equivalent, and which are, in fact, available from only one source. The purchases must meet both of the following criteria: (i) It is the only item that will produce the desired results or fulfill the specific need, and (ii) the item is available from only one source of supply. Examples include purchased utilities, property owner association fees, bond rating agency fees, bond dissemination agent fees, items covered under the continuing services section, among other potential items.

Secondhand Equipment from Other Government. The purchase of surplus and secondhand supplies, materials or equipment from Federal or State government or any other political subdivision without competitive bidding is allowed provided that the procurement is: (i) within the Authority's annual budget and/or asset management plan; (ii) is proven to be the best interest of the public; and (iii) is analyzed to show that this same secondhand equipment has a reasonable future life expectancy in order to provide the Authority with cost efficiencies.

Awards to other than the lowest offerer. It is the policy of the Authority generally to award bids for procurement to the lowest responsible dollar offerer for materials and/or services when competition is required. The Authority recognizes that occasionally the lowest bidder is not necessarily the best provider of materials and/or services. For every occurrence which the Authority does not select the lowest bidder for the procurement of materials and/or services, it is the policy of the Authority to provide very specific documentation as to the determination to pass by a lowest cost bidder. In the event that the Authority selects someone other than the lowest bidder, it is the policy of the Authority to state this choice publicly along with reasoning as to its selection.

Formal Bid Requirements. Formal Bids are required for all purchases in excess of $50,000.00. Purchases requiring formal bids must be approved by the Authority. See the "Receipt of Bids" section below for the procedure on processing formal bids.

Exceptions to formal bid requirements. The Board may approve purchases of over $50,000.00 without formal bids where it is deemed to be most advantageous to the Authority. Risk Management shall negotiate and recommend to the Board for approval, policies of insurance coverage for property, liability and special risk insurance that would be most advantageous to the Authority. These purchases shall qualify as a direct payment.

Bid Opening Procedures.

Receipt of Bids

Bids shall be delivered in person by a representative of the bidder or by mail to the Mid-Bay Bridge Authority.

The Administrative Assistant will record all bids received on the "Bid Receipt and Bid Opening Attendance Sheet" with the following information:

-Contractor's name;

-The date in which the bid was received;

-The time in which the bid was received;

-Method of delivery (i.e., hand, overnight, regular mail); and

-Initial the sheet indicating receiving the bid.

The Administrative Assistant will, upon receipt of bid, check the package to assure that it is sealed.

If the bid is not sealed and was hand delivered by the contractor or vendor, it should be returned to the same so they can seal it.

If the bid is not sealed and was received by mail or express mail, the Administrative Assistant should seal the bid immediately and mark that it was not sealed on the "Bid Receipt and Bid Opening Attendance Sheet".

The bid shall be secured by the Administrative Assistant until the day and time of the bid opening.

No bids are accepted after the time of the bid opening on the date specified in the public notice placed in the newspaper.

Bid Opening

Bid openings are to be held at the time and date specified in the public notice placed in the newspaper.

The bid opening must be attended by a minimum of the Executive Director and Administrative Assistant.

Bidders are allowed to attend the bid opening.

All attendees of the bid opening must sign in on the "Bid Receipt and Bid Opening Attendance Sheet".

The responsibilities of the required attendees at the bid opening are:

The Executive Director shall open and read publicly the bid prices.

The Administrative Assistant will record the bids in non-erasable ink on the "Bid Tabulation Sheet".

Bids are opened and the results shall be recorded on the "Bid Tabulation Sheet" as specified above.

The Bid Opener should indicate, and the bid recorder should indicate if a bid bond or certified check is included and if any exceptions are included.

The Administrative Assistant shall sign and date the "Bid Tabulation Sheet" on the line marked "Prepared By".

In the event that only a single bid is received, the following steps should be followed:

The Administrative Assistant will contact, by telephone or follow up correspondence, all non-responding bidders who previously picked up the bid specification package to ascertain why they did not respond to the bid.

The Executive Director and the General Engineering Consultant (GEC) will evaluate the bid price against the' original estimate for the project to see if it falls within a reasonable range of the estimated cost.

The Executive Director and the GEC will evaluate other, non-monetary issues received within the bid package in order to assure that the project can be performed, or goods received within the time frame, etc.

The Executive Director and the GEC will determine that, upon receipt of only one bid or insufficient bid packages, whether or not the Authority should re-bid this project. Consideration must be given to the timing of a project falling into the peak demand season.

Identical (Tie) Bids or Quotes. The award of tie bids or quotes shall be determined either by lot or on the basis of factors deemed to serve the best interest of the Authority. In the case of the latter, there must be adequate documentation to support such a decision.

Authority Approval. Purchases in excess of $50,000.00 require Authority approval prior to purchasing, except for items on State and GSA contracts, replacement of materials, parts, repair and maintenance of existing equipment. Any purchases requiring Authority approval shall be thoroughly reviewed by the Executive Director. Deviation from the $50,000.00 limit for emergencies, as defined in the Emergency Purchases section, is authorized for the replacement of materials, parts, repair and maintenance of existing equipment. However, the deviation shall be coordinated with the Chairman of the Authority or, if unavailable, with the Vice-Chairman and shall be reported at the next Authority meeting.

Prior to authorizing any expenditure listed above, the Executive Director shall review the purchase and determine that the expenditure serves a public purpose and that the necessary approval and procedures for the expenditure has been complied with.

Upon completion of the bid receipt and bid opening process, the Executive Director shall present an award recommendation to the full Authority at a duly noticed Authority meeting, summarizing the entire process and the recommendation for their consideration. This memorandum should include the following information:

- Project title
- Number of bids received for the project
- Summary of the bids received
- Original estimate(s) for the project
- Amounts included in the Authority approved annual budget
- Reasons for discrepancy between bid and original estimates, if applicable
- Statement regarding contractor or vendor qualifications
- Recommended contractor or vendor
- Recommended award amount

Lease Agreement. Per Florida Statute 125.031, all leases must be approved and executed by the Authority. All leases shall be thoroughly reviewed by the Executive Director and the Authority Attorney prior to any Board action.

Annual Review. The Authority's outside auditor shall conduct an annual review of the procurement policy as well as an internal control review to ensure compliance with the procurement policy set forth.

Renewal Effective: October 16, 2025

THIS POLICY IS TO BE REVIEWED AND RENEWED ANNUALLY BY THE MID-BAY BRIDGE AUTHORITY