

# NORTH SHORE FIRE DEPARTMENT

## STANDARD OPERATING PROCEDURES

**SECTION: 200      S.O.P.# 240**

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**SUBJECT: PURCHASING POLICY**

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2    **PURPOSE**

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4    To provide direction on the procurement of supplies, materials, equipment and services at the  
5    lowest price consistent with quality and performance necessary to meet standards established by  
6    the North Shore Fire Department. The lease of equipment or vehicles as measured by its fair  
7    market value shall conform to the same procurement parameters as required for purchase. The  
8    use of multiple purchase orders to circumvent the dollar limits specified in this policy is  
9    prohibited. The Fire Chief and/or Finance Director shall act as purchasing agent for the North  
10    Shore Fire Department.

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12    **SCOPE**

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14    This procedure applies to all members.

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16    **PROCEDURE**

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18        1) Whenever it is necessary or desirable that supplies, materials, equipment or contractual  
19        services be purchased which will cost \$5,000 or more, invoice approval must be first  
20        submitted by the Battalion Chief or Finance Director, to the Fire Chief for final approval.

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22        2) No requisition shall be submitted and no purchase shall be made for items or services not  
23        included in the current budget, or at an amount exceeding that which has been budgeted.

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25        3) All required procedures shall be complied with before any invoices are paid except in  
26        urgent situations where operational or safety requirements pose an immediate need and  
27        delivery of services or materials is contingent upon payment. In such instances the  
28        Battalion Chief is authorized to make any necessary purchases, with “confirming”  
29        approvals following the incurred expense. The person making or authorizing the  
30        procurement must have, or obtain reasonable knowledge, that sufficient funds exist to  
31        cover the cost of any such expenditure.

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33        4) If the estimated cost of supplies, materials, equipment or services will exceed the sum of  
34        \$10,000, competitive quotations or proposals will be obtained in writing from three or  
35        more vendors who are able to supply the requested item(s). If a specific vendor or brand  
36        name commodity is deemed to be in the best interests of the Fire Department, the  
37        requesting Battalion Chief may present information in support of the requisition and, if  
38        concurred with by the Fire Chief and/or Finance Director, the requirement for  
39        competitive proposals may be waived. In this event, the rationale for selecting the  
40        particular vendor or commodity shall be noted on the requisition.

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42        5) For purchases related to “capital improvement expenses” RECITATIONS 5. Powers 5.2  
43        of the Fire Services Agreement contract shall be adhered to. The Board will always

44 provide final approval for expenditures related to the structural reconstruction of  
45 premises, purchases of apparatus and equipment which has a life of at least five (5) years  
46 and a purchase price of at least \$25,000 (1994), and replacement or addition of building  
47 infrastructure, to include heating, electric and plumbing systems.

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- 49 a. Accounting for inflation in 2018 the purchase price must be a minimum of at least  
50 \$42,345.26 to require Board approval.
- 51 b. According to the Fire Services Agreement section RECITATIONS 2. Voting  
52 Requirements (a) The purchase or sale of any asset having a value in excess of  
53 \$50,000 shall require the affirmative vote of five (5) or more members.  
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- 55 6) Upon receipt of competitive proposals the Fire Chief and/or Finance Director, in  
56 consultation with the requesting Battalion Chief, is authorized to award the purchase of  
57 the supplies, materials, equipment or service to the vendor offering the lowest and/or best  
58 bid, taking into account price, availability, reliability, warranty, uniformity or other  
59 bonafide factors. In the event that all factors are relatively equal, North Shore vendors  
60 shall be given preference.  
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- 62 7) For public construction projects specifications shall be prepared and formal bids shall be  
63 obtained from qualified contractors in accordance with §62.15, Wis. Stats. The results of  
64 such bidding shall be reported by the Battalion Chief to the Fire Chief and/or Finance  
65 Director and if necessary submitted to the Board for review which may approve or  
66 disapprove the recommended contract as it deems appropriate.  
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- 68 a. *§ 62.15 Public works. (1) CONTRACTS; HOW LET/ EXCEPTION FOR*  
69 *DONATED MATERIALS AND LABOR. All public construction, the estimated*  
70 *cost of which exceeds \$25,000, shall be let by contract to the lowest responsible*  
71 *bidder; all other public construction shall be let as the council may direct. If the*  
72 *estimated cost of any public construction exceeds \$5,000 but is not greater than*  
73 *\$25,000, the board of public works shall give a class 1 notice, under ch. 985, of*  
74 *the proposed construction before the contract for the construction is executed.*  
75 *This provision does not apply to public construction if the materials for such a*  
76 *project are donated or if the labor for such a project is provided by volunteers.*  
77 *The council may also by a vote of three-fourths of all the members-elect provide*  
78 *by ordinance that any class of public construction or any part thereof may be*  
79 *done directly by the city without submitted the same for bids.*  
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- 81 8) For individual purchases costing less than \$5,000, Battalion Chiefs are authorized to  
82 obtain the necessary supplies, materials, or equipment from a local or other vendor,  
83 provided that the current approved budget provides for such purchase, and further that the  
84 Battalion Chief exercises sound judgment in selecting the vendor which can provide the  
85 item or service at the best price or availability.  
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- 87 9) For small purchases amount to \$35.00 or less obtained from local suppliers at which the  
88 North Shore Fire Department does not have an account, the use of petty cash is  
89 recommended and authorized in order to minimize the need to utilize normal accounts  
90 payable procedures. If petty cash is used for such purchases, SOP #218 procedures  
91 should be followed and a receipt of the purchase and coinciding entry on the Petty Cash  
92 Transaction Form must be recorded. This procedure shall not be used to make numerous  
93 purchases of the same commodity to avoid the issuance of a purchase requisition.  
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## 95 10) Grants

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## 11) Purchases Utilizing Federal Funds

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- a. Copies of all grant applications shall be provided to the Finance Director and Fire Chief prior to submittal.
- b. Battalion Chiefs are authorized to apply for grants that require no match or commitment to accept the grant, if there are no provisions that may obligate the Fire Department in the future.
- c. Battalion Chiefs may apply, upon approval of the Fire Chief, for grants that require \$5,000 or less of match, commitment, or any combination thereof if the Battalion Chief can readjust dollars within the Battalion Chief's respective budget.
- d. Battalion Chiefs may apply, upon approval of the Fire Chief, for grants that require more than \$5,000 up to \$10,000 of local match, commitment, or any combination thereof by the Fire Department if it can be clearly stipulated that the application is not in itself a commitment to accepting the grant. Should the North Shore Fire Department be awarded such a grant, the issue of acceptance will be made by the North Shore Fire Department upon the recommendation of the Fire Chief.

- a. Any Purchases that utilize federal funds shall be made in compliance with 2 CFR 200. And this purchasing policy. The following numbers correspond with 2 CFR 200.
- b. General Procurement Standards
  - i. Procurements by the North Shore Fire Department when utilizing federal funds shall conform to applicable Federal law and the standards identified in this policy.
  - ii. The North Shore Fire Department shall maintain oversight to ensure that contracts perform in accordance with the terms, conditions, and specifications of their contracts or purchases.
  - iii. No employee, officer, or agent of the North Shore Fire Department may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the North Shore Fire Department may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. Any Employee determined to be in violation of this section, could be subject to discipline action up to and including termination. Any Elected Official determined to be in violation of this section, could be subject to prosecution and or recall of their position.
  - iv. The North Shore Fire Department will consider consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
  - v. The North Shore Fire Department, to the extent possible, shall utilize state

146 and local intergovernmental agreements or inter-entity agreements where  
147 appropriate for procurement or use of common or shared goods and  
148 services.

149 vi. The North Shore Fire Department, to the extent possible, shall utilize  
150 federal excess and surplus property in lieu of purchasing new equipment  
151 and property whenever such use is feasible and reduces project costs.

152 vii. The North Shore Fire Department, to the extent possible, shall utilize use  
153 value engineering clauses in contracts for construction projects of  
154 sufficient size to offer reasonable opportunities for cost reductions. Value  
155 engineering is a systematic and creative analysis of each contract item or  
156 task to ensure that its essential function is provided at the overall lowest  
157 cost.

158 viii. The North Shore Fire Department, to the extent possible, shall award  
159 contracts only to responsible contractors possessing the ability to perform  
160 successfully under the terms and conditions of a proposed procurement.  
161 Consideration will be given to such matters as contractor integrity,  
162 compliance with public policy, record of past performance, and financial  
163 and technical resources. See also §200.213 Suspension and debarment.

164 ix. The North Shore Fire Department, to the extent possible, shall maintain  
165 records sufficient to detail the history of procurement. These records will  
166 include but are not necessarily limited to the following: rationale for the  
167 method of procurement, selection of contract type, contractor selection or  
168 rejection, and the basis for the contract price.

169 x. The North Shore Fire Department, to the extent possible, shall utilize a  
170 time and materials type contract only after a determination that no other  
171 contract is suitable and if the contract includes a ceiling price that the  
172 contractor exceeds at its own risk. Time and materials type contracts are  
173 defined as a contract whose cost to The North Shore Fire Department is  
174 the sum of:

- 175 1. The actual cost of materials; and
- 176 2. Direct labor hours charged at fixed hourly rates that reflect wages,  
177 general and administrative expenses, and profit.

178 xi. The North Shore Fire Department, to the extent possible, shall, in  
179 accordance with good administrative practice and sound business  
180 judgment, for the settlement of all contractual and administrative issues  
181 arising out of procurements. These issues include, but are not limited to,  
182 source evaluation, protests, disputes, and claims.

184 c. Competition

185 i. All procurement transactions must be conducted in a manner providing  
186 full and open competition consistent with the standards of this section. To  
187 ensure objective contractor performance and eliminate unfair competitive  
188 advantage, contractors that develop or draft specifications, requirements,  
189 statements of work, or invitations for bids or requests for proposals must  
190 be excluded from competing for such procurements. Some of the  
191 situations considered to be restrictive of competition include but are not  
192 limited to:

- 193 1. Placing unreasonable requirements on firms for them to qualify to  
194 do business;
- 195 2. Requiring unnecessary experience and excessive bonding;
- 196 3. Noncompetitive pricing practices between firms or between

- 197 affiliated companies;
- 198 4. Noncompetitive contracts to consultants that are on retainer
- 199 contracts;
- 200 5. Organizational conflicts of interest;
- 201 6. Specifying only a "brand name" product instead of allowing "an
- 202 equal" product to be offered and describing the performance or
- 203 other relevant requirements of the procurement; and
- 204 7. Any arbitrary action in the procurement process.
- 205 ii. The North Shore Fire Department shall conduct procurements in a manner
- 206 that prohibits the use of statutorily or administratively imposed state, local,
- 207 or tribal geographical preferences in the evaluation of bids or proposals,
- 208 except in those cases where applicable Federal statutes expressly mandate
- 209 or encourage geographic preference. Nothing in this section preempts state
- 210 licensing laws. When contracting for architectural and engineering (A/E)
- 211 services, geographic location may be a selection criterion provided its
- 212 application leaves an appropriate number of qualified firms, given the
- 213 nature and size of the project, to compete for the contract.
- 214 iii. The North Shore Fire Department ensures that all solicitations:
- 215 1. Incorporate a clear and accurate description of the technical
- 216 requirements for the material, product, or service to be procured.
- 217 Such description must not, in competitive procurements, contain
- 218 features which unduly restrict competition. The description may
- 219 include a statement of the qualitative nature of the material,
- 220 product or service to be procured and, when necessary, must set
- 221 forth those minimum essential characteristics and standards to
- 222 which it must conform if it is to satisfy its intended use. Detailed
- 223 product specifications should be avoided if at all possible. When it
- 224 is impractical or uneconomical to make a clear and accurate
- 225 description of the technical requirements, a "brand name or
- 226 equivalent" description may be used as a means to define the
- 227 performance or other salient requirements of procurement. The
- 228 specific features of the named brand which must be met by offers
- 229 must be clearly stated; and
- 230 2. Identify all requirements which the offerors must fulfill and all
- 231 other factors to be used in evaluating bids or proposals.
- 232 iv. The North Shore Fire Department shall ensure that all prequalified lists of
- 233 persons, firms, or products which are used in acquiring goods and services
- 234 are current and include enough qualified sources to ensure maximum open
- 235 and free competition. Also, The North Shore Fire Department shall not
- 236 preclude potential bidders from qualifying during the solicitation period.
- 237 d. Methods of procurement to be followed: The North Shore Fire Department will
- 238 use one of the following methods of procurement when purchasing items with
- 239 federal funds.
- 240 i. Procurement by micro-purchases - Procurement by micro-purchase is the
- 241 acquisition of supplies or services, the aggregate dollar amount of which
- 242 does not exceed the micro-purchase threshold of \$10,000. To the extent
- 243 practicable, The North Shore Fire Department shall distribute micro-
- 244 purchases equitably among qualified suppliers. Micro-purchases may be
- 245 awarded without soliciting competitive quotations.
- 246 ii. Procurement by small purchase procedures - Small purchase procedures
- 247 are those relatively simple and informal procurement methods for securing

- 248 services, supplies, or other property that do not cost more than the  
249 Simplified Acquisition Threshold (\$250,000). If small purchase  
250 procedures are used, price or rate quotations must be obtained from an  
251 adequate number of qualified sources.
- 252 iii. Procurement by sealed bids (formal advertising). Bids are publicly  
253 solicited, and a firm fixed price contract (lump sum or unit price) is  
254 awarded to the responsible bidder whose bid, conforming with all the  
255 material terms and conditions of the invitation for bids, is the lowest in  
256 price. The sealed bid method is the preferred method for procuring  
257 construction, if the conditions in paragraph (c)(1) of this section apply.
- 258 1. For sealed bidding to be feasible, the following conditions should  
259 be present:
- 260 A. A complete, adequate, and realistic specification or  
261 purchase description is available;
- 262 B. Two or more responsible bidders are willing and able to  
263 compete effectively for the business; and
- 264 C. The procurement lends itself to a firm fixed price contract  
265 and the selection of the successful bidder can be made  
266 principally based on price.
- 267 2. If sealed bids are used, the following requirements apply:
- 268 A. Bids must be solicited from an adequate number of known  
269 suppliers, providing them sufficient response time prior to  
270 the date set for opening the bids, for local, and tribal  
271 governments, the invitation for bids must be publicly  
272 advertised;
- 273 B. The invitation for bids, which will include any  
274 specifications and pertinent attachments, must define the  
275 items or services for the bidder to properly respond;
- 276 C. All bids will be opened at the time and place prescribed in  
277 the invitation for bids, and for local and tribal governments,  
278 the bids must be opened publicly;
- 279 D. A firm fixed price contract award will be made in writing  
280 to the lowest responsive and responsible bidder. Where  
281 specified in bidding documents, factors such as discounts,  
282 transportation cost, and life cycle costs must be considered  
283 in determining which bid is lowest. Payment discounts will  
284 only be used to determine the low bid when prior  
285 experience indicates that such discounts are usually taken  
286 advantage of; and
- 287 E. Any or all bids may be rejected if there is a sound  
288 documented reason.
- 289 iv. Procurement by competitive proposals. The technique of competitive  
290 proposals is normally conducted with more than one source submitting an  
291 offer, and either a fixed price or cost-reimbursement type contract is  
292 awarded. It is generally used when conditions are not appropriate for the  
293 use of sealed bids. If this method is used, the following requirements  
294 apply:
- 295 1. Requests for proposals must be publicized and identify all  
296 evaluation factors and their relative importance. Any response to  
297 publicized requests for proposals must be considered to the  
298 maximum extent practical;

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2. Proposals must be solicited from an adequate number of qualified sources;
  3. The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
  4. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
  5. The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.
- v. Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
1. The item is available only from a single source;
  2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
  3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
  4. After solicitation of several sources, competition is determined inadequate.
- e. Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.
- i. The North Shore Fire Department shall take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
  - ii. Affirmative steps must include:
    1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
    2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
    3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
    4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
    5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
    6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this

- 350 section.
- 351 f. Contract cost and price.
- 352 i. The North Shore Fire Department shall perform a cost or price analysis in
- 353 connection with every procurement action in excess of the Simplified
- 354 Acquisition Threshold (\$250,000) including contract modifications. The
- 355 method and degree of analysis is dependent on the facts surrounding the
- 356 particular procurement situation, but as a starting point, the North Shore
- 357 Fire Department shall make independent estimates before receiving bids
- 358 or proposals.
- 359 ii. The North Shore Fire Department shall negotiate profit as a separate
- 360 element of the price for each contract in which there is no price
- 361 competition and, in all cases, where cost analysis is performed. To
- 362 establish a fair and reasonable profit, consideration must be given to the
- 363 complexity of the work to be performed, the risk borne by the contractor,
- 364 the contractor's investment, the amount of subcontracting, the quality of its
- 365 record of past performance, and industry profit rates in the surrounding
- 366 geographical area for similar work.
- 367 iii. Costs or prices based on estimated costs for contracts under the Federal
- 368 award are allowable only to the extent that costs incurred, or cost
- 369 estimates included in negotiated prices would be allowable for the North
- 370 Shore Fire Department.
- 371 iv. The cost plus a percentage of cost and percentage of construction cost
- 372 methods of contracting must not be used.
- 373 g. Federal awarding agency or pass-through entity review
- 374 i. The North Shore Fire Department shall make available, upon request of
- 375 the Federal awarding agency or pass-through entity, technical
- 376 specifications on proposed procurements where the Federal awarding
- 377 agency or pass-through entity believes such review is needed to ensure
- 378 that the item or service specified is the one being proposed for acquisition.
- 379 This review generally will take place prior to the time the specification is
- 380 incorporated into a solicitation document.
- 381 ii. The North Shore Fire Department shall make available upon request, for
- 382 the Federal awarding agency or pass-through entity preprocurement
- 383 review, procurement documents, such as requests for proposals or
- 384 invitations for bids, or independent cost estimates, when:
- 385 1. The non-Federal entity's procurement procedures or operation fails
- 386 to comply with the procurement standards in this part;
- 387 2. The procurement is expected to exceed the Simplified Acquisition
- 388 Threshold and is to be awarded without competition or only one
- 389 bid or offer is received in response to a solicitation;
- 390 3. The procurement, which is expected to exceed the Simplified
- 391 Acquisition Threshold, specifies a "brand name" product;
- 392 4. The proposed contract is more than the Simplified Acquisition
- 393 Threshold and is to be awarded to other than the apparent low
- 394 bidder under a sealed bid procurement; or
- 395 5. A proposed contract modification changes the scope of a contract
- 396 or increases the contract amount by more than the Simplified
- 397 Acquisition Threshold.
- 398 iii. The North Shore Fire Department is exempt from the pre-procurement
- 399 review in paragraph (b) of this section if the Federal awarding agency or
- 400 pass-through entity determines that its procurement systems comply with



- 401 the standards of this part.
- 402 1. The North Shore Fire Department may request that its procurement
- 403 system be reviewed by the Federal awarding agency or pass-
- 404 through entity to determine whether its system meets these
- 405 standards for its system to be certified. Generally, these reviews
- 406 must occur where there is continuous high-dollar funding, and
- 407 third-party contracts are awarded on a regular basis;
- 408 2. The North Shore Fire Department may self-certify its procurement
- 409 system. Such self-certification must not limit the Federal awarding
- 410 agency's right to survey the system. Under a self-certification
- 411 procedure, the Federal awarding agency may rely on written
- 412 assurances from The North Shore Fire Department that it is
- 413 complying with these standards. The North Shore Fire Department
- 414 must cite specific policies, procedures, regulations, or standards as
- 415 being in compliance with these requirements and have its system
- 416 available for review.
- 417 e. Bonding requirements; For construction or facility improvement contracts or
- 418 subcontracts exceeding the Simplified Acquisition Threshold, the Federal
- 419 awarding agency or pass-through entity may accept the bonding policy and
- 420 requirements of The North Shore Fire Department provided that the Federal
- 421 awarding agency or pass-through entity has made a determination that the Federal
- 422 interest is adequately protected. If such a determination has not been made, the
- 423 minimum requirements must be as follows:
- 424 i. A bid guarantee from each bidder equivalent to five percent of the bid
- 425 price. The "bid guarantee" must consist of a firm commitment such as a
- 426 bid bond, certified check, or other negotiable instrument accompanying a
- 427 bid as assurance that the bidder will, upon acceptance of the bid, execute
- 428 such contractual documents as may be required within the time specified.
- 429 ii. A performance bond on the part of the contractor for 100 percent of the
- 430 contract price. A "performance bond" is one executed in connection with
- 431 a contract to secure fulfillment of all the contractor's obligations under
- 432 such contract.
- 433 iii. A payment bond on the part of the contractor for 100 percent of the
- 434 contract price. A "payment bond" is one executed in connection with a
- 435 contract to assure payment as required by law of all persons supplying
- 436 labor and material in the execution of the work provided for in the
- 437 contract.
- 438 f. Contract provisions; All North Shore Fire Department contracts utilizing federal
- 439 funds must contain the applicable provisions described in Appendix II to Part
- 440 200-Contract Provisions for non-Federal Entity Contracts Under Federal Awards.
- 441 g. Appendix II to Part 200-Contract Provisions for the North Shore Fire Department
- 442 Contracts Under Federal Awards; In addition to other provisions required by the
- 443 Federal agency or non-Federal entity, all contracts made by The North Shore Fire
- 444 Department under the Federal award must contain provisions covering the
- 445 following, as applicable.
- 446 i. Contracts for more than the simplified acquisition threshold currently set
- 447 at \$250,000, which is the inflation adjusted amount determined by the
- 448 Civilian Agency Acquisition Council and the Defense Acquisition
- 449 Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must
- 450 address administrative, contractual, or legal remedies in instances where
- 451 contractors violate or breach contract terms, and provide for such

- 452 sanctions and penalties as appropriate.
- 453 ii. All contracts in excess of \$10,000 must address termination for cause and  
454 for convenience by the North Shore Fire Department including the manner  
455 by which it will be affected and the basis for settlement.
- 456 iii. Equal Employment Opportunity. Except as otherwise provided under 41  
457 CFR Part 60, all contracts that meet the definition of "federally assisted  
458 construction contract" in 41 CFR Part 60-1.3 must include the equal  
459 opportunity clause provided under 41 CFR 60-1.4(b), in accordance with  
460 Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319,  
461 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive  
462 Order 11375, "Amending Executive Order 11246 Relating to Equal  
463 Employment Opportunity" and implementing regulations at 41 CFR part  
464 60, "Office of Federal Contract Compliance Programs, Equal Employment  
465 Opportunity Department of Labor."
- 466 iv. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by  
467 Federal program legislation, all prime construction contracts in excess of  
468 \$2,000 awarded by the North Shore Fire Department must include a  
469 provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-  
470 3144, and 3146-3148) as supplemented by Department of Labor  
471 regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to  
472 Contracts Covering Federally Financed and Assisted Construction"). In  
473 accordance with the statute, contractors must be required to pay wages to  
474 laborers and mechanics at a rate not less than the prevailing wages  
475 specified in a wage determination made by the Secretary of Labor. In  
476 addition, contractors must be required to pay wages not less than once a  
477 week. The non-Federal entity must place a copy of the current prevailing  
478 wage determination issued by the Department of Labor in each  
479 solicitation. The decision to award a contract or subcontract must be  
480 conditioned upon the acceptance of the wage determination. The North  
481 Shore Fire Department shall report all suspected or reported violations to  
482 the Federal awarding agency. The contracts must also include a provision  
483 for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145),  
484 as supplemented by Department of Labor regulations (29 CFR Part 3,  
485 "Contractors and Subcontractors on Public Building or Public Work  
486 Financed in Whole or in Part by Loans or Grants from the United States").  
487 The Act provides that each contractor or subrecipient must be prohibited  
488 from inducing, by any means, any person employed in the construction,  
489 completion, or repair of public work, to give up any part of the  
490 compensation to which he or she is otherwise entitled. The non-Federal  
491 entity must report all suspected or reported violations to the Federal  
492 awarding agency.
- 493 v. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).  
494 Where applicable, all contracts awarded by the non-Federal entity in  
495 excess of \$100,000 that involve the employment of mechanics or laborers  
496 must include a provision for compliance with 40 U.S.C. 3702 and 3704, as  
497 supplemented by Department of Labor regulations (29 CFR Part 5). Under  
498 40 U.S.C. 3702 of the Act, each contractor must be required to compute  
499 the wages of every mechanic and laborer on the basis of a standard work  
500 week of 40 hours. Work in excess of the standard work week is  
501 permissible provided that the worker is compensated at a rate of not less  
502 than one and a halftime the basic rate of pay for all hours worked in excess

- 503 of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are  
504 applicable to construction work and provide that no laborer or mechanic  
505 must be required to work in surroundings or under working conditions  
506 which are unsanitary, hazardous or dangerous. These requirements do not  
507 apply to the purchases of supplies or materials or articles ordinarily  
508 available on the open market, or contracts for transportation or  
509 transmission of intelligence.
- 510 vi. Rights to Inventions Made Under a Contract or Agreement. If the Federal  
511 award meets the definition of "funding agreement" under 37 CFR §401.2  
512 (a) and the recipient or subrecipient wishes to enter into a contract with a  
513 small business firm or nonprofit organization regarding the substitution of  
514 parties, assignment or performance of experimental, developmental, or  
515 research work under that "funding agreement," the recipient or  
516 subrecipient must comply with the requirements of 37 CFR Part 401,  
517 "Rights to Inventions Made by Nonprofit Organizations and Small  
518 Business Firms Under Government Grants, Contracts and Cooperative  
519 Agreements," and any implementing regulations issued by the awarding  
520 agency.
- 521 vii. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution  
522 Control Act (33 U.S.C. 1251-1387), as amended-Contracts and subgrants  
523 of amounts in excess of \$150,000 must contain a provision that requires  
524 the non-Federal award to agree to comply with all applicable standards,  
525 orders or regulations issued pursuant to the Clean Air Act (42 U.S.C.  
526 7401-767 lq.) and the Federal Water Pollution Control Act as amended (33  
527 U.S.C. 1251-1387). Violations must be reported to the Federal awarding  
528 agency and the Regional Office of the Environmental Protection Agency  
529 (EPA).
- 530 viii. Debarment and Suspension (Executive Orders 12549 and 126 89)- A  
531 contract award (see 2 CFR 180.220) must not be made to parties listed on  
532 the government wide e exclusions in the System for Award Management  
533 (SAM), in accordance with the OMB guidelines at 2 CFR 180 that  
534 implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and  
535 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension."  
536 SAM Exclusions contains the names of parties debarred, suspended, or  
537 otherwise excluded by agencies, as well as parties declared ineligible  
538 under statutory or regulatory authority other than Executive Order 12549.
- 539 ix. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)-Contractors that apply  
540 or bid for an award exceeding \$100,000 must file the required  
541 certification. Each tier certifies to the tier above that it will not and has not  
542 used Federal appropriated funds to pay any person or organization for  
543 influencing or attempting to influence an officer or employee of any  
544 agency, a member of Congress, officer or employee of Congress, or an  
545 employee of a member of Congress in connection with obtaining any  
546 Federal contract, grant or any other award covered by 31 U.S.C. 1352.  
547 Each tier must also disclose any lobbying with non-Federal funds that  
548 takes place in connection with obtaining any Federal award. Such  
549 disclosures are forwarded from tier to tier up to the non-Federal award.
- 550 x. See §200.322 Procurement of recovered materials