

0510.43 Purchase of Rubbish Removal Services

Issued February 17, 2011

SUBJECT: Purchase of Rubbish Removal – Pre-Award

APPLICATION: Executive branch departments and sub-units.

PURPOSE: To prescribe the policies and procedures by which Executive Branch Departments shall procure rubbish removal services up to \$25,000, or other amount as delegated and authorized by Purchasing Operations.

CONTACT AGENCY: Department of Technology, Management and Budget (DTMB)
Procurement & Real Estate Services Administration
Purchasing Operations (PurchOps)

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SUMMARY: Purchasing Operations usually recommends that a multiple year contract be established for repetitive services required by agencies, and those repetitive service contracts are currently established by Purchasing Operations. An exception is outlined here for rubbish removal services.

Executive Branch Agencies can purchase rubbish removal services of less than \$25,000 per year or within their delegated authority, using other methods of procurement, provided they follow existing purchasing guidelines established by the Budget Office of Financial Management and DTMB Purchasing Operations.

Approved procurement methods include:

- Purchase Order,
- Direct Purchase Order, or
- Blanket Purchase Order

When the chosen method of procurement is a MAIN document that allows for customization, agencies should include the commodity code **910-27** (Garbage/Trash Removal and Disposal), required terms, and detailed information such as pickup schedules and container size.

Sample work statements and pricing sheets for rubbish removal services are posted on the DTMB Purchasing Operations Intranet at: (<http://inside.michigan.gov/purchasing/Pages/default.aspx>). Regardless of the purchasing method used, Agencies must ensure the use of a Michigan licensed landfill by obtaining the name, address, and license number of the landfill.

Agencies are also advised to seek out environmentally friendly (green) service providers within the State of Michigan, in keeping with the Buy Michigan First and Green Michigan initiatives.

Questions should be directed to the Buyer Manager for the Purchasing Operations MRO Team, at (517) 373-6535, or the Director of MRO Services Division at (517) 241-0919.

All procurements under this procedure are subject to review/audit by DTMB. Violations by departments may result in the loss of delegated authority.

APPLICABLE FORMS: DTMB Purchase Request Form (PRF)
iTRAC Request
Civil Service Annual Disclosure

DTMB PurchOps procedures & policy letters:

- Service Level Agreement Letter (SLA) for solicitations, and amendments
- Signature Authority Letter
- Procedures for Quotes, Invitations to Bid (ITB), and Requests for Proposal (RFP)
- Contract Management Toolkit (Mandatory for over \$25,000; optional at or below \$25,000).
 - Project Assessment of Risk (PAR)
 - Project Plan
- Procurement Definitions Document

Procurement Documentation:

- iTRAC System:
 - Status updates, tracking, comments and attachments.
- MAIN Electronic Documents & Processes:
 - Requisition Header-REQ (PCHL2100)
 - Contractual Services Request-CS-138 (PCHL2117)
 - Direct Purchase Order DPO (PCHL2360)
 - Purchase Order PO (PCHL 2340)
 - Blanket Purchase Orders BPO (PCHL2342)
 - Advice of Change AOC (PCHL8010)
- Bid4Michigan Processes:
 - Solicitation Notice
 - Attachments
 - Addendums
 - Responses
 - Notice of Recommendation
 - Notice of Award/Award
 - Posted Comments
- Developed outside of Bid4Michigan:
 - Solicitation Attachments (RFQ/ITB/RFP)
 - Solicitation Responses (if hardcopy response allowed) (Quotes, Bids, Proposals)
 - Confidentiality Statements
 - Disclosure/Conflict of Interest Form

APPROVALS: Services: The disbursement of funds to pay for services performed by an independent contractor must have the prior approval of the Civil Service Commission pursuant to the CS-138 process (PCHL2117). See the Department of Civil Service Website at www.michigan.gov/mdcs.

Agency & PurchOps: Internal approvals must be obtained and documented according to agency policies and procedures, including provisions surrounding delegated and signature authority.

PROCEDURES:

Agency:

Procedure 0510.43

Distribution Date: 02/17/2011

- Determines a need.
- Must follow their department's internal procurement policies and procedures, recognizing that the policies and procedures of the delegating authority supersede those of the department in the event of a conflict.
- Develops Statement of Work (SOW) according to procedure 0510.31 for MRO services. At the request of the department, PurchOps can assist in the development of the work statement (see procedure 0510.31 regarding statements of work), specifications, and award criteria.
 - Buyers in Purchasing Operations are available to help develop the specifications or work statement. Some sample work statement templates for routine services are available under "Statewide Purchasing" at DTMB's intranet site (connect.Michigan.gov). Use the appropriate National Institute for Governmental Purchasing (NIGP) commodity code that most accurately describes the supplies, materials, equipment and/or services needed.
- Completes a PRF in iTRAC for required rubbish removal services, attaching all approval documents along with the statement of work and any other solicitation attachments, for internal routing and approvals for transmittal to the PurchOps and enters a REQ in MAIN if requesting PurchOps assistance, using the "OP" doc type.
- If the request is to be completed by PurchOps, provides any necessary assistance requested/required by DTMB assigned buyer through remainder of solicitation and contracting process per Administrative Guide Procedures 0510.30-0510.38; otherwise,
- Completes the purchase in accordance with DTMB Purchasing Operations and/or Budget Office of Financial Management policies and procedures outlined for the selected award type.
- Places all documentation of the Bid process in the appropriate bid folder/contract folder for future reference and use.

DTMB - Purchasing Operations:

- In the event agency has routed the request to PurchOps using the "OP" doc type or the request exceeds agency delegated authority:
- Conducts the solicitation process in Bid4Michigan in accordance with Administrative Guide Procedures 0510.30-38, updating iTRAC with status changes and notes throughout the process.
- Obtains required agency approvals, PurchOps internal approvals, and administrative approvals including the State Administrative Board. (See procedure 0510.36 Award, Finance and Claims & State Administrative Board, and the Department of Civil Rights procedure 1630.01 Bidder's and Contractor's Certificates).
- According to signature authority, obtains the State's signature on the final contract agreement signed by the vendor, or if the approved recommendation is for a purchase order, issues the purchase order.
 - A contract that contains the signature of the contractor and the State contracting agent is used for all professional services (both short and long term), recurring services, and commodities.
 - A purchase order can be used for the one-time purchase of commodities or for non-professional and general labor services provided they are of low risk, routine, and will be completed within a one-year period or less. (See procedure 0510.36 Award, Finance and Claims & State Administrative Board).
- Enters award number for (PO) or (BPO) in Bid4Michigan and iTRAC.
- Places all documentation of the Bid process in the appropriate bid folder/contract folder tab for future reference and use.
- Runs periodic reports to review purchases made by agencies for appropriate use and policy compliance.

AUTHORITY: Relevant Acts:

- Public Act 431, of 1984 as amended (Governing Authority)
- Public Act 91, of 2005 (Service Disabled Vet Preference)
- Public Act 237 of 1988 (Reciprocal Preference Table)
- Public Act 112 of 1988 (Persons with Disabilities)

- Public Act 124, of 1999 (Requirement to post all requests estimated at over \$50,000 on a public Website)

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