

Chapter 700: Emergency Purchasing Procedures

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701. Introduction

This instruction describes how Purchasing and other mission-critical departments can continue to procure supplies and services in the event of an emergency. Most of this instruction addresses a citywide emergency, such as an earthquake. The final part addresses a departmental emergency, such as when a product or service is urgently needed and the Purchasing office is closed.

The following policies and procedures apply to all disaster workers requiring materials, supplies, professional and personal services, and rental equipment. Response policies and authorities for emergency contracting for public works and calling for mutual aid are not covered here, but should be covered in the appropriate sections of the respective departments' emergency operations plans.

Given the inherent uncertainties in any emergency situation, the City's procedures address a series of what-if situations. In general, City personnel follow the most thorough procedure they can.

The usual procedure for ordering during an earthquake is as follows:

1. A City employee needs a product or service.
2. The employee communicates with the Department Operations Center (DOC), which is part of the employee's department.
3. If the DOC cannot find the product or service within the department itself, then the DOC communicates with the Operations Section of the Emergency Operations Center (EOC), which, in coordination with the Logistics Section of the EOC, tries to locate the product or service within City government. The EOC allocates supplies and equipment within City government.
4. If the City doesn't possess it, then EOC can either:
 - a. communicate with OCA, which tries to obtain it from a vendor; or,
 - b. communicate with a state agency.
5. If OCA can't obtain what is needed, then OCA notifies EOC and the request is escalated to the state or federal agency.

If at any point lives are in danger, a City employee may contact a vendor directly to order the needed product or service.

702. Where to find urgently needed items

During the Loma Prieta earthquake and its aftermath, the City gained valuable experience in what needed to be purchased during an emergency and how to order it. Building on that, OES (now DEM) and Purchasing developed Exhibit 700-1, "Items needed in emergencies, and where to find them," a chart that lists:

- The product or service
- City's internal supply of the product or service, if there is one

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- If the City has a term contract for that product or service, the term contract number and the vendor
- If there is no term contract, who the usual vendor would be
- Vendor's phone number
- Alternate vendor

703. Compliance requirements are waived in emergencies

When the Mayor declares an emergency, the City may order from any vendor without regard to the usual requirements vendors must comply with, such as Equal Benefits, business tax, and the LBE Ordinance.

704. The City's Emergency Operations Plan

This Chapter is based largely on the Logistics section of the City's Emergency Operations Plan and the Emergency Support Function (ESF) #7 Logistics Annex, which was updated and approved on July 5, 2016. For more information, please consult with your department's emergency coordinator.

705. Departmental emergency kits

Some departments have emergency kits on site, typically in large red bags. See Exhibit 700-2 for a list of the contents of the two red bags each department in City Hall has.

706. Administrative Code

Please see Exhibit 700-3 for excerpts from the City's Administrative Code Chapter 21.15 describing emergency procurement procedures.

707. OCA's Central Office and Satellite Offices

In the event of a disaster, OCA/Purchasing will activate its Department Operations Center (DOC) at the central office in City Hall. Satellite purchasers, in accordance with their satellite departments' emergency plans, will report to their departments' DOC, and will assist requestors throughout this process, including interacting with Central Purchasing and escalating a procurement up to EOC and beyond as needed.

708. How an emergency can affect communications

During Loma Prieta, everyone in the Bay Area who tried to make a phone call experienced either a delay in getting a dial tone or no dial tone at all. For people elsewhere trying to call the Bay Area, often the calls didn't go through for hours. Problems with the phones can affect City departments calling each other, such as EOC calling Purchasing, or any City employee calling a vendor, whether that employee is a responder, in EOC, or in Purchasing. The City needs to be prepared to communicate with vendors other than by phone, such as by visiting a vendor's place of business.

Computer communications could also be disrupted, such as if the City's mainframe computer or a department's LAN is down. If such problems prevent OCA or EOC from creating a purchase order in ADPICS, then the City will use manual emergency purchase order forms or other documentation.

709. Federal requirements; documentation

The federal government requires the City to keep specific types of records of emergency purchases so that the City can be reimbursed by the federal government later. If we cannot document a purchase adequately, then the City, and not the federal government, will end up paying for it.

A general federal requirement is that equipment needed in an emergency should be **rented**, if possible, rather than **purchased**.

Depending on the circumstances, any of the following groups may have primary responsibility for documenting a purchase:

- OCA's central office, if that office places the order with a vendor, and whether or not ADPICS is working. If ADPICS is working, OCA will record as much information as possible in ADPICS.
- OCA's satellite office, if the satellite office places the order.
- EOC, if it places the order.
- DOC, if it places the order.
- The responder, if the responder places the order.

This is the information FEMA requires the City to document:

- vendor name
- line item descriptions
- date
- delivery point, and who received the order
- amount
- department
- order name and title
- why the product or service was needed on an emergency basis (often this will be obvious)
- the result of attempting to obtain at least 3 bids (name of vendor, method of contact, etc.)

710. Possible ordering scenario, for a portable generator

Here is a summary of the steps emergency responders will follow. Assume a responder needs a portable generator. The responder will work through the Incident Command System (ICS), the term for the organization that comes into existence when the emergency is declared. Part of the ICS, at the departmental level, is the Department Operations Center (DOC). Above the department's DOC is the citywide Emergency Operations Center (EOC).

- a. The DOC checks the department's inventory. Does it already have a generator? If not,
- b. The DOC asks the EOC. The EOC checks elsewhere in City government. If the EOC cannot locate a generator in another department, then,
- c. The DOC checks the list of citywide term contracts that cover items needed in an emergency. In the case of a generator, that would probably be the term contract for equipment rental. If that doesn't work,
- d. The DOC checks the complete list of term contracts. Maybe a non-emergency-type contract covers generators. If that doesn't work,

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- e. The DOC considers non-contract vendors, such as the hardware store down the street. From this point on, the DOC will either create a Prop. Q purchase order or ask OCA to create a regular purchase order. If no vendor can be found, then
- f. The DOC will refer it back to the EOC.

It is important to keep in mind that each higher level in this structure (starting from the responder, to the DOC, to the EOC, to OCA) will be fielding a multitude of requests from lower levels. If a lower level can do more research and perhaps solve a problem, it will take a significant burden off a higher level. In the above scenario, if the responder, or the DOC, can identify a potential vendor of the product or service, and communicate that up the line, that will help the process.

711. Ordering from a vendor

If the product or service is available from a vendor, then the City will place an order as described below. If at any point lives are in danger, then the responder can order directly from the vendor.

- a. If the responder can communicate with the DOC and the logistics section can create a Prop. Q purchase order, then that will happen. If not, including situations where the order will exceed \$10,000, then,
- b. If the DOC can communicate with Purchasing and Purchasing can create a purchase order, either through ADPICS or using emergency purchase order forms, then that will happen. If not, then,
- c. If the DOC has access to emergency purchase order forms, then those will be used to record the purchase. If not, then,
- d. If the DOC has access to a manual log of emergency orders, then that will be used to record the purchase. If not, then,
- e. The responder will make best efforts to document the purchase.

The responder will need to keep track of the information listed in Section 709 above. The responder will keep the invoice or receipt, and packing slip if there was one.

712. Confirming purchase orders

After the emergency subsides, departments will submit requisitions for confirming purchase orders. Departments must submit documentation as described in Section 708 above.

If the vendor is in the vendor file, then OCA creates a confirming purchase order.

If the vendor is not in the vendor file, then the situation becomes more complicated. Purchasing will send the vendor the necessary paperwork to be entered into the vendor file.

713. Departmental emergencies

The following applies in situations where the Mayor has not declared an emergency.

A. OCA's office is closed and ADPICS is down

If a department needs something urgently and OCA is closed and ADPICS is down and so a Prop. Q order cannot be created, then the department follows a greatly abbreviated version of the procedures described above. The department must create documentation of the following:

- vendor name and contact information
- line item descriptions
- date
- delivery point
- amount
- department
- order name and title
- why the product or service was needed on an emergency basis (often this will be obvious)

Later, when OCA is open and ADPICS is available, the department will either create a confirming Prop. Q purchase order or else submit a requisition to OCA to create a confirming purchase order. The department must submit a memo or e-mail from the department head or designee explaining why the order needed to be placed on an emergency basis.

B. OCA's office is open and ADPICS is up

1. Orders submitted to OCA

If an emergency situation arises when OCA's office is open, then the department should create and submit a requisition to OCA. If there is insufficient time to create a requisition, then the department should call OCA so that OCA can place the order. If there is insufficient time to call OCA or OCA cannot place the order fast enough, then the department places the order with the vendor and submits a confirming requisition as soon as possible thereafter.

2. Prop. Q orders

For orders within Prop. Q limits, a department should create a confirming Prop. Q order as soon as possible after an emergency order was placed. The department would need to document why it could not create the Prop. Q order in the regular course of business.

Exhibit 700-1

Items needed in an emergency, and where to find them

On the next page is a list of goods and services the City will probably need during the next big earthquake or other emergency. This Chapter 700 is posted on the Forms Center as a Word file, and the next page is an Excel file. OCA encourages departments to adapt the Excel file to fit their needs. Please consider the following:

1. If there are products or services you might need but aren't listed, please add them to the list. If you don't know where to get them, call OCA. If other departments need them, please call OCA and we can revise the list.
2. If your department has its own supply of any item, then make a notation in the "Is it part of this department's emergency supply?" column.
3. If your department has a supply of emergency items, consider posting the list near that supply so it is easily accessible during the next emergency, when people won't have time to find the *Guide* on a bookshelf and look for the list of emergency supplies.