

Resolution #18-08

EMMET COUNTY, IOWA PROCUREMENT POLICY

PURPOSE

The purpose of this procurement policy is to ensure that sound business judgement is utilized in all procurement transactions and that supplies, equipment, construction and services are obtained efficiently and economically and in compliance with applicable federal and state law and executive orders and to ensure that all procurement transactions will be conducted in a manner that provides full and open competition.

APPLICATION

This policy applies to the procurement of all supplies, equipment, construction and services of and for Emmet County that include any federal program funding, including but not limited to, those related to the implementation and administration of the Community Development Block Grant (CDBG) award, the Pre-Hazard Mitigation Grant or the Emergency Management Planning Grant (EMPG). In regards to any such federal programs, all procurement will be done in accordance with 2 CFR; Part 200. Chapter 26 and Section 331.341 of the Iowa Code will be followed on all applicable purchases. All other appropriate sections of the Iowa Code shall also apply.

POLICY

METHODS OF PROCUREMENT

Procurement under grants shall be made by one of the following methods, as described herein: (a) small purchase procedures; (b) sealed bids (formal advertising); (c) competitive proposals; (d) noncompetitive proposals.

- A. Small purchase procedures are relatively simple and informal procurement methods that are sound and appropriate for the procurement of services, supplies, or other property, costing in aggregate not more than \$100,000 (\$150,000 for federal programs). If small purchase procedures are used for a procurement under a grant, price or rate quotations (minimum of 2) shall be obtained from an adequate number of qualified sources.
- B. In sealed bids (formal advertising), sealed bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bids method is the preferred method for procuring construction.
 1. In order for sealed bidding to be feasible, appropriate conditions must be present, including, at a minimum, the following:
 - (a) A complete, adequate and realistic specification or purchase description is available;
 - (b) Two or more responsible bidders are willing and able to compete effectively for Emmet County businesses; and
 - (c) The procurement lends itself to a firm-fixed-price contract, and the selection of the successful bidder can be made principally on the basis of price.
 2. When sealed bids are used for a procurement under a grant, the following requirements apply:

- (a) A sufficient time prior to the date set for opening of bids, bids shall be solicited (publically advertised) from an adequate number of known suppliers;
 - (b) The invitation for bids, including specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the invitation for bids;
 - (c) All bids shall be opened publicly at the time and place stated in the invitation for bids;
 - (d) A firm-fixed-contract award shall be made by written notice to that responsible bidder whose bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine low bid when prior experience of Emmet County indicates that such discounts are generally taken; and
 - (e) Any or all bids may be rejected if there are sound documented business reasons in the best interest of the program.
- C. Procurement by competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded, as appropriate. Competitive proposals are generally used when conditions are not appropriate for the use of sealed bids. If the competitive proposals method is used for a procurement under a grant, the following requirements apply:
- 1. Requests for Proposals shall be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be considered to the maximum extent practical;
 - 2. Requests for Proposals shall be solicited from an adequate number of qualified sources;
 - 3. Emmet County shall have a written method for conducting evaluations of the proposals received and for selecting awardees;
 - 4. Awards will be made to the responsible offeror whose proposal will be most advantageous to Emmet County, with price (other than architectural/engineering) and other factors considered. Unsuccessful offerors will be promptly notified in writing; and
 - 5. Emmet County 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 the procurement of A/E professional services. It cannot be used to procure other types of services (e.g., administration professional services) even though A/E firms are a potential source to perform the proposed effort.
- D. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source. Circumstances under which a contract may be awarded by noncompetitive proposals are limited to one or more of the following:
- 1. The item is available from only a single source;
 - 2. After solicitation of a number of sources, competition is determined inadequate;
 - 3. A public exigency or emergency exists when the urgency for the requirement will not permit a delay incident to competitive solicitation; or
 - 4. The awarding agency authorizes noncompetitive proposals. (Sole source procurement for supplies, equipment, construction, and services valued at \$25,000 or more must have prior approval of the awarding agency.)

- E. Emmet County will take affirmative steps to assure, to the greatest extent possible, that contracts are awarded to qualified small and minority firms, women's business enterprises, and labor surplus area firms whenever they are potential sources.

These affirmatives steps must include:

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- c. 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;
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- e. 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
- f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (a) through (e).

CONTRACT PRICING

- A. The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used.
- B. Emmet County shall perform some form of cost/price analysis for every procurement action, including modifications, amendments or change orders. Emmet County shall make an independent estimate prior to receiving a bid or proposal.
- C. Emmet County shall negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. In determining a fair and reasonable profit, Emmet County must consider the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance and the industry profit rates in the surrounding geographical area.

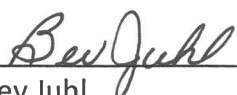
PROCUREMENT RECORDS

Emmet County shall maintain records sufficient to detail the significant history of a procurement, including the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

AWARDED CONTRACTS

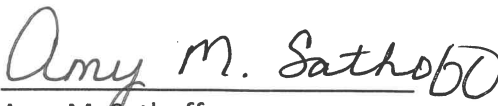
- A. Emmet County will not award a contract to a party listed as debarred, suspended, or otherwise excluded in the System for Award Management (SAM).
- B. Any contracts awarded shall comply with 2 CFR 200.326 and Appendix II to Part 200.

Passed and adopted this 21st day of August, 2018.



Bev Juhl
Chairman, Board of Supervisors

Attest:



Amy M. Sathoff
Emmet County Auditor

Adopted: August 21, 2018