

## **RESOLUTION NO. 07-24-23-62**

### **A RESOLUTION ESTABLISHING A PURCHASE AND PROCUREMENT POLICY FOR CHICKASAW COUNTY**

#### **PURPOSE**

The purpose of this policy is:

- To professionally coordinate and maximize the effectiveness of the purchasing, contracting, and leasing of goods, materials, supplies, equipment, and services by Chickasaw County.
- To provide and protect for increased public confidence and trust in the procedures followed by Chickasaw County in public procurements.
- To ensure the ethical, fair, and equitable treatment of all persons who deal with the purchasing system of Chickasaw County.
- To provide increased economy in Chickasaw County purchasing activities and to maximize, to the fullest extent practical extent, the purchasing value of public funds.
- To foster effective broad-based competition.
- To effectively support other departments, component units, and agencies.

This policy encompasses the purchasing, contracting and leasing of goods, materials, supplies, equipment and services that shall be accomplished through competitive bidding whenever possible and specifically where it is required by the Code of Iowa or government contracts.

Further, the purpose of this 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.

#### **SCOPE**

This policy is applicable to the following:

- All employees under the supervision of the Chickasaw County Board of Supervisors, as well as the Chickasaw County Board of Supervisors.
- All employees under the supervision of a Chickasaw County elected office holder, as well as the elected office holder, unless the appropriate elected office holder and the Chickasaw County Board of Supervisors have certified its inapplicability.
- All employees not directly under the supervision of either the Chickasaw County Board of Supervisors or an elected office holder, unless the governing body and the Chickasaw County Board of Supervisors have certified its inapplicability.
- All employees and department heads of any other governing body that utilizes the Chickasaw County Auditor's office as a fiscal agent and that has certified to applicability.
- Whenever the provisions of this policy are in conflict with the Code of Iowa, or with a collective bargaining agreement between Chickasaw County and a certified bargaining unit, the provisions of the collective-bargained agreement and/or the Code of Iowa will prevail.

- This policy applies to the procurement of all supplies, equipment, construction and services of and for Chickasaw 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 and the Pre-Hazard Mitigation Grant or the Emergency Management Planning Grant (EMPG). In regard to any such federal programs, all procurement will be done in accordance with 2 CFR; Part 200.

## **ADMINISTRATIVE PROCEDURES**

### **Individual Department / Office Responsibilities**

- Determine the quality and quantity of goods, materials, supplies, equipment, and services needed and delivery date required. Utilize past purchase information or resources when appropriate. Research specifications to ensure that appropriate information is provided to adequately describe the desired product or services along with minimum standards or requirements.
- If a lease or lease-purchase contract is being proposed, prior to submitting lease for approval to the Chickasaw County Board of Supervisors, the originating department shall request legal review of the proposed contract by the Chickasaw County Attorney's office. A letter from the Chickasaw County Attorney's office acknowledging that they have reviewed the contract and find it to be in compliance with applicable state laws is required.
- Whenever possible, competitive bids for lease agreements shall be secured.
- Anticipate requirements, giving accurate description of article(s) required and sufficient time to purchase item(s) on a competitive basis. When needed, the originating department will prepare additional specifications and insurance requirements, if any, to secure required items.
- Receive and inspect item(s) delivered direct by vendor and refuse shipments that fail to meet the requirements for purchase.
- Handle all purchases within established procedures. Utilize applicable purchasing resources (competitive bidding, pre-bid items, web-bid items) whenever possible and where appropriate.

### **Approval to Purchase, Lease, or Contract for Goods and Services**

- Unencumbered spending authority must exist at the appropriate departmental budget level prior to the purchase.
- Purchases, leases, or contracts up to \$10,000.00 shall only require department head approval or authorization from the individual with budgetary responsibility.
- Purchases, leases, or contracts exceeding \$10,000.00 shall also require approval or acknowledgement of both the department head and the authorized board.
- Lease or contract agreements which do not include a total cost amount for services (i.e. the agreement may only make reference to an hourly rate plus cost of parts) require the department to estimate the total cost. The calculation at arriving at this estimate should be documented with the purchase request and depending on the amount will require appropriate approvals as stated above. If the agreement is open ended then the calculation of the total cost amount shall be based on the total cost per annual year.
- Any and all lease or contract agreements exceeding three (3) years in length shall also require approval or acknowledgement of both the department head and the authorized board, even though the total aggregate lease or contract cost may not exceed \$10,000.00.
- If the lease or contract agreement is open ended it should be re-bid at least every three (3) years.



- The requesting department shall utilize appropriate insurance and indemnification language if required. Insurance and indemnification requirements shall be developed in conjunction with the Chickasaw County Attorney's office.

### **Procurement Procedures and Competitive Quotations**

- **For purchases less than \$10,000.00**, departments/offices *may* enter the purchase order directly without soliciting competitive price or rate quotations if the price is considered to be reasonable based on research, experience, purchase history, or other information and documents it files accordingly. Whenever feasible, purchases, leases, and contracts for goods, supplies, materials, equipment, and services required for public use shall be distributed equitably among qualified suppliers.
- **For purchases between \$10,000.00 and \$25,000.00**, departments/offices *shall* obtain written bids for competitive pricing from an adequate number of qualified sources. Generally, at least three separate written bids are adequate, but two may be determined adequate if no other supplier is found to be available or responsive. This requirement may be waived in unusual or extraordinary circumstances, but only with the approval or acknowledgement of both the department head and the authorized board. Departments may obtain their own written bids utilizing applicable purchasing resources.
- **For purchases greater than \$25,000.00**, department/offices *shall* use either the sealed bids (formal advertising) method or the competitive proposals method, as outlined below:
  - *Sealed bids (formal advertising)* are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsive and 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.
    - In order for sealed bidding to be feasible, appropriate conditions must be present, including, at a minimum, the following:
      - A complete, adequate, and realistic specification or purchase description is available.
      - Two or more responsible bidders are willing and able to compare effectively.
      - 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.
    - When sealed bids are used for a procurement, the following requirements apply:
      - A sufficient time shall be in place prior to the date set for opening of bids, and bids shall be solicited (publicly advertised) from an adequate number of known suppliers.
      - 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.
      - All bids shall be opened publicly at the time and place stated in the invitation for bids.
      - A firm-fixed-contract award shall be made by written notice to that responsive and 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 Chickasaw County indicates that such discounts are generally taken.

- Any or all bids may be rejected if there are sound documented business reasons in the best interest of the program.
- *Competitive proposals* are 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 the following requirements apply:
  - 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.
  - Requests for Proposals shall be solicited from an adequate number of qualified sources.
  - Chickasaw County shall have a written method for conducting evaluations of the proposals received and for selecting awardees.
  - Awards will be made to the responsive and responsible offeror whose proposal will be most advantageous to Chickasaw County, with price (other than architectural/engineering) and other factors considered. Unsuccessful offerors will be promptly notified in writing.
  - Chickasaw 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.
- The Chickasaw County Board of Supervisors supports economic development in Iowa. Purchases by Chickasaw County will be made in Iowa for Iowa goods and services from a locally-owned business located within Chickasaw County or from an Iowa-based company which offers these goods or services if the cost and other considerations are relatively equal and they meet the required specifications. The purchase will be made from the lowest responsible bidder based upon total cost considerations including, but not limited to, the cost of the goods and services being purchased, availability of service and/or repair, conformance with the specifications in all material respects, past performance, delivery date, and other factors deemed relevant by the board. In addition, the department may take into consideration reputation, business, and financial capabilities.
- For public improvements and construction contracts (excluding design and consulting contracts) that exceed the public bidding requirements as set forth in the Iowa Code Section 331.341 the determination and criteria for determining the lowest responsible bidder shall be accomplished through a formalized process. That process shall set out criteria and notification in the specifications document and gather qualification, reference and other pertinent information at the time of the bid. The use of an American Institute of Architects Form 305A with an addendum or a similar standardized form for gathering appropriate information from bidders shall be used whenever possible. Chickasaw County reserves the right to reject a low bid based on the criteria



set forth and the evaluation of the submitted information and research conducted.

- All parties involved shall comply with all applicable laws and regulations pertaining to their employment practices, and shall not discriminate in providing services on the basis of race, color, creed, national origin, sex, handicapped condition or religious affiliation.
- Whenever possible, all requests for bids and all proposals for expenditures of public funds must be made in general terms so that no brand or trade names are specified. Also, when applicable, all requests must contain this statement: "By virtue of statutory authority, a preference will be given to produces and provisions grown and coal produced within the State of Iowa".

### **Summary Chart Outlining the Need for Approval or Acknowledgement and the Required Procurement Procedure**

	Need Approval or Acknowledgement of Both Department Head and Authorized Board?	What Procurement Procedure is Required?
Less than \$10,000.00	No	Do not need competitive price or rate quotations
Between \$10,000.00 and \$25,000.00	Yes	Need written bids for competitive pricing from an adequate number of qualified sources
Greater than \$25,000.00	Yes	Use sealed bids (formal advertising) or competitive proposals

### **Unsolicited Proposals**

An "unsolicited proposal" is a document or package of documents submitted to Chickasaw County or to a Chickasaw County Office or department that proposes to provide a product or service that was not solicited nor initiated by Chickasaw County.

- An unsolicited proposal that does not correspond to the Chickasaw County mission, vision, or values, is outside of the normal scope of Chickasaw County government services and is not a product that Chickasaw County requires or a service that Chickasaw County needs may be rejected without further consideration by the department or office.
- An unsolicited proposal that does correspond with the mission and scope of Chickasaw County government will be evaluated for merit by the department or office with jurisdiction or control in the service area that best matches the proposal. In the absence of a clear corresponding department or office, the review of the unsolicited proposal shall be made by the Chickasaw County Board of Supervisors. The department, office, or Chickasaw County Board of Supervisors may require the submission of additional or supplemental information from the submitter in order to fully evaluate the submission. An unsolicited proposal submission that refuses to provide the typical, pertinent information that the evaluator deems necessary, may be rejected without further information.
- Unsolicited proposals that are found to have merit may be forwarded to the Chickasaw County Board of Supervisors for consideration. Proposals without merit or determined to be outside the scope of the Chickasaw County government shall not be forwarded to the Chickasaw County Board of Supervisors.
- Proposals that have the potential for competitiveness, either by their nature or as required by law,

shall initiate a request for proposal process. The department, office, or Chickasaw County Board of Supervisors shall take measures to protect information contained in the unsolicited proposal. Said measures may include returning all copies of the unsolicited proposal to the submitter for resubmission as a part of the RFP process. At a minimum, the department office, or Chickasaw County Board of Supervisors shall notify the submitter that the unsolicited proposal is, by law, a public document.

### **Procurement Information and Records**

- Chickasaw County shall maintain records sufficient to detail the significant history of procurement, including the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- Purchase orders and other information of a public nature shall be available for inspection upon request to the Chickasaw County Auditor's office, provided that they are not deemed to be confidential because they contain trade secrets or reports that give a competitive advantage and serve no public purpose. Purchasing records are also governed by Freedom of Information laws for public records. Each department and office shall maintain records of purchases made (award information, contracts, and purchase orders) and the purchasing process (bid requests, specifications, proof of publication, bid results, bid documents and submittals, etc.). In the absence of other legislative requirements, the retention duration for said records shall be for three years past the award date or the contract completion date (whichever is later).

### **Bids on Contracts for Repair or Construction of Buildings**

- See Iowa Code Section 331.341 and Chapter 26 for specific contract letting procedures.

### **Special Provisions for Contracts Supported by Federal Funds**

- Chickasaw County will not award a contract supported by any federal funds to a party listed as debarred, suspended, or otherwise excluded in the System for Award Management (SAM).
- Any contracts supported by any federal funds shall comply with 2 CFR 200.326 and Appendix II to Part 200.
- The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used.
- Chickasaw County shall perform some form of cost/price analysis for every procurement action, including modifications, amendments or change orders. Chickasaw County shall make an independent estimate prior to receiving a bid or proposal.
- Chickasaw 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, Chickasaw 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.
- Chickasaw 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:
  - Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

- Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- 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;
- Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- 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
- Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in this subsection.

### **Special Provisions for Secondary Roads Department**

- Construction and Maintenance Projects: These types of services will be either bid through the I.D.O.T., Secondary Roads office or in coordination with I.D.O.T. meeting their specifications and requirements through the County Secondary Road Department.
- Purchases through the State of Iowa General Services Office and the Iowa Department of Transportation Purchasing Department: The Secondary Road Department will take advantage of the State Purchasing Facilities and their volume purchasing discounts when practical and possible.
  - The Secondary Road Department will fill out the required State Order Forms or submit a department "requisition order".
  - Upon receipt of order and billing, the Secondary Road Department will check shipment against the order and prepare the necessary Chickasaw County claim for payment.
  - All orders exceeding \$10,000.00 will require prior approval by the Chickasaw County Board of Supervisors.
- Equipment Repair Parts, Materials and Services: The specifics on these items generally cannot be anticipated or determined in advance. These are generally items that cannot be inventoried and must be purchased expeditiously to prevent costly delays and operational problems. The purchase of these items requires the technical expertise and knowledge of Secondary Road's garage personnel for effective, expeditious purchasing. The purchases may also be the type or nature where they are only available from one source.
  - The ordering of these materials and supplies and services may only be authorized by the Secondary Road Foreman.
  - Any individual request for purchasing in excess of \$1,000.00 with the exception of purchase of tires, must receive prior approval by the County Engineer.
  - Upon receipt of the order, billing will be checked by the Secondary Road Department and claims prepared for the Engineer's authorization and approval by the Chickasaw County Board of Supervisors.

### **Emergency Purchases**

- The Chickasaw County Board of Supervisors or designee may declare an emergency when:
  - The circumstances pose a threat to the public health, welfare, or safety.
  - The situation must be taken care of immediately in order to prevent immediate and apparent loss to Chickasaw County.
  - Conditions beyond reasonable control of Chickasaw County occur, such as accidents or



unforeseen failure in equipment, which are essential to the operation of Chickasaw County.

- In the event that the circumstances surrounding the emergency do not allow sufficient time to convene the Chickasaw County Board of Supervisors, the Chickasaw County Auditor or designee may authorize emergency purchases in excess of \$10,000.00.
- If the emergency purchase requirements are met, the Chickasaw County Auditor or designee shall take informal bids, if time allows.
- In all cases of emergency purchases by the Chickasaw County Auditor or designee, the following must be submitted to the Chickasaw County Board of Supervisors at the next meeting following the purchase:
  - A detailed description outlining the critical nature of the need to purchase.
  - An invoice if goods have been received.
  - A written account explaining why an emergency was declared.
  - The effect of the emergency on Chickasaw County operations or on the public.
  - Why the particular vendor was chosen.
- All emergency purchases will be reviewed carefully by the Chickasaw County Board of Supervisors at the next regularly scheduled meeting to assure that the use of the procedure is not being abused.

### EFFECTIVENESS

This Purchase and Procurement Policy shall be effective immediately, and shall replace the "Chickasaw County Procurement Policy" adopted by Resolution No. 07-09-18-34, the current "Purchasing Policy," as well as any other current purchase or procurement policies that conflict with the provisions in this document.

**HEREBY RESOLVED** by the Chickasaw County Board of Supervisors this 24th day of July, 2023.

\_\_\_\_\_  
Matthew Kuhn, Chair

Yes / No

\_\_\_\_\_  
Scott Cerwinske, Vice Chair

Yes / No

\_\_\_\_\_  
Jacob Hackman

Yes / No

\_\_\_\_\_  
Steven Breitbach

Yes / No

\_\_\_\_\_  
Travis Suckow

Yes / No

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ATTEST: Sheila Shekleton, Auditor