

Section Name: Financial Management
Section Number: 300
Policy Number: 305

Effective Date: May 10, 1994
Date of Revision: November 1, 2022

Subject: Purchasing Policy

Overview:

This policy is to provide for a framework within procurement is conducted across the County organization and its offices and departments. The County will employ a centralized procurement function with delegated authority to user departments to assist in sourcing, pricing and supporting the overall procurement program. The policy will promote fair treatment of all persons/vendors while engaged in the procurement process of the County of Monroe, to maximize the value of public funds allocated to procurement and to provide safeguards for maintaining a procurement system of quality and integrity to serve the best interests of the County of Monroe. This policy will also serve to utilize the most efficient method of operating the procurement process for the County of Monroe including consideration of the staffing levels required to perform the administrative and financial tasks of the County's procurement function.

Consideration of staffing levels, the necessary manpower in processing administrative paperwork, advertising costs, indirect costs and overall time factors of supplying goods and services are intended to be factors in designing and operating the procurement function of the County. Consideration of these factors will serve to provide the County with an overall cost effective process of procurement. The policy will serve as a framework to work within, yet allow particular and evolving needs to be addressed by the Administrator/Chief Financial Officer and others involved in procurement as they arise in order to maintain operational support for the departments and agencies affected.

Purpose:

This policy applies to contracts and orders for the procurement of supplies, services and construction entered into by the County of Monroe. When the procurement involves the expenditure of federal or state assistance or contract funds, the procurement shall be conducted in accordance with any mandatory applicable federal or state laws and regulations covering the expenditure of those applicable funds. Nothing in this policy shall prevent any department or agency from complying with the terms and conditions of any grant, gift or bequest that is otherwise consistent with the law.

Scope:

This policy shall apply to all departments, offices, elected officials, courts and administrative units of Monroe County government.

Statement of Policy:

Section 1: Operations Coordinator

- A. Employment - The Operations Coordinator (or any future named successor titled position) shall be the County's principal public purchasing official. The Operations Coordinator is an employee of the County Central Office under the direct supervision of the Administrator/Chief Financial Officer.

- B. Duties - The Operations Coordinator carry out the procurement of supplies, services and construction in accordance with this policy.

In addition to the above and subject to the supervision of the Administrator/Chief Financial Officer the Operations Coordinator shall:

1. Procure or supervise the procurement of supplies, services and construction and remodeling services required by the County and its agencies;
 2. Exercise direct supervision over any County general supply items or central stores;
 3. Sell, trade, or otherwise dispose of surplus supplies, equipment, or real estate as authorized.
 4. Establish and maintain as necessary programs or procedures for specification development and contract administration, inspection and acceptance in consultation with the departments and agencies using the supplies, services and construction.
 5. Other duties consistent with carrying out the execution of the procurement function of the County.
- C. Operational Procedures - Consistent with this policy, and where applicable the approval of the Administrator/Chief Financial Officer, the Operations Coordinator may adopt and implement operational procedures relating to the execution of his/her duties for the purchase of goods and services not limited to procedures for Internet on-line buying, credit card purchases, etc.
- D. Delegation - The Operations Coordinator may delegate authority to purchase certain supplies, services, or construction items to other County officials, if such delegation is deemed necessary for the effective and timely procurement of such items. This delegation may include the solicitation of comparable product pricing, quotes or proposals.
- E. Authorization to Purchase - The Operations Coordinator is authorized to procure supplies, equipment, services etc. consistent with dollar amounts appropriated in the department or agency's budget. Procurement of supplies, equipment, services; etc. will take place after consultation with the department or agency, with the purpose of the consultation to confirm the quantity, quality and other requirements of the procurement prior to purchase.

Nothing in this policy shall violate the County's Annual Line Item Budget Resolution, which shall be incorporated and made a part of this policy.

- F. Sale of County Assets - Unless otherwise required by law, the Operations Coordinator shall serve in his/her capacity as the authorized agent for the sale and disposal of all County assets including but not limited to: supplies, equipment, tools, furniture, automobiles, trucks, weapons, computers etc. The sale of assets may be facilitated by public sale, trade-in at time of purchase of new items from selling vendor, transfer to other authorized

government agency or sale by intergovernmental agreement or disposal by salvage value as scrap beyond the assets useful life. The Operations Coordinator may seek the counsel of the affected department/agency and/or the County's Legal Advisor in determining the most appropriate method of sale or disposal.

All proceeds of the sale of County assets shall be accounted for and deposited with the County Treasurer along with detailed supporting receipts or other documents.

- G. Public Access to Procurement Information - Procurement information shall be public record to the extent provided in Act 442, of the Public Acts of 1976, (Michigan Compiled Laws (MCL) 15.231 et.seq.) as amended and shall be available to the public as provided in said statute (Michigan Freedom of Information Act).

Section 2: Source Selection and Contract Formation

Methods of Source Selection:

A. Competitive Sealed Bidding

1. Conditions for Use - Procurement contracts and orders of the County shall be awarded by competitive sealed bidding except as otherwise provided in Sections 3.2 (competitive sealed proposals), 3.3 (small purchases), 3.4 (sole source procurement) and 3.5 (emergency procurement) of this policy.
2. Invitation for Bids - An invitation for bids shall be issued and shall include specifications and all contractual terms and conditions applicable to the procurement. The Operations Coordinator may issue bidding documents to bidders of whom he/she is knowledgeable of and in an effort to promote the receipt of competing offers.
3. Public Notice - Adequate and reasonable public notice of the invitation for bids shall be given a reasonable time (not less than 10 calendar days prior to the date set forth therein for the closing date of bids). Such notice shall include publication in a local newspaper of general circulation, posting on the County's internet web page, and to public procurement or bid reporting agencies. The public notice shall state the name of the project, location where plans and/or specifications may be obtained, deposit amount if applicable, availability of bidding documents, closing date for bids and other information the Operations Coordinator deems necessary. Any bid received after the indicated closing date and time shall be rejected and returned unopened to the bidder. The official time shall be as kept by the receiving office's time clock stamp or network computer if sent via the Internet.
4. Bid Opening - Bids having been submitted prior to the closing date for bids shall be opened under the direction of the Operations Coordinator at a time provided in the bid documents and open to the public. Following the opening and after

allowing for the task of compiling the bids, a summary of the bid results shall be prepared and available for public inspection in accordance with this policy.

5. Bid Acceptance and Bid Evaluation - Bids shall be unconditionally accepted without alteration or correction, except as authorized in this policy. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, compatibility into existing County systems, delivery and suitability for a particular purpose. Bids, which do not comply with mandatory criteria set forth in the invitation to bid, may be subject to disqualification. Those criteria that will affect the bid price and be considered in the evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs and maintenance. The invitation for bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that is not set forth in the invitation for bids. Clarification of criteria shall be the sole discretion of the County and its employees and agents in evaluating bids. Notwithstanding anything here in to the contrary, the County of Monroe and its agencies shall not be required to accept and award the low dollar amount bid.

6. Correction or Withdrawal of Bids; Cancellation of Awards - Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. Mistakes discovered before bid opening may be modified or withdrawn by written notice received in the office designated in the invitation for bids prior to the time set for closing date of bids. After bid opening, corrections in bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made the nature of the mistake, and the bid price actually intended. A bid calculation or worksheet with a mathematical error or similar mistake would be an example. The County may seek clarification of pricing for services, items, rates, etc. in its effort to clearly understand the proposal or bid and prior to finalizing a bid or proposal summary. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the county or fair competition shall be permitted. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:
 - a. The mistake is clearly evident on the face of the bid document, but the intended correct bid is not similarly evident; or
 - b. The bidder submits evidence, which clearly and convincingly demonstrates that a mistake was made. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes shall be supported by a written determination made by the Purchasing Agent.

7. Award - Awards shall be made with reasonable promptness by appropriate written notice to the lowest responsible and responsive bidder whose bid meets the

requirements and criteria set forth in the invitation for bids. No contract or purchase order shall be entered into with any company or business, which is in bankruptcy or receivership of which the County has knowledge.

In the event the low responsive and responsible bid for a construction project exceeds available funds as certified by the County's Chief Financial Officer, the Operations Coordinator is authorized, when he/she determines time or economic considerations preclude re-solicitation of work of a reduced scope, to negotiate an adjustment of the bid price with the three lowest responsive and responsible bidders in order to bring the bid within the amount of available funds. Such negotiation shall first be based upon eliminating, if any, deductive items specified in the invitation for bids, of the low price bidder.

Preference for award shall be first given to local bidders meeting the award criteria and in cases of a tie bid the award shall be to the local bidder. A local bidder is defined as a qualified vendor whose primary business office is located within the geographical boundaries of the County of Monroe.

8. Qualification Sealed Bidding - When it is determined by the Operations Coordinator to be impractical to prepare initially a description to support an award based on price, an invitation for bids may be issued requesting the submission of unpriced offers to be followed by an invitation for bids limited to those bidders with offers which have been determined to be technically acceptable under the criteria set forth in the first solicitation.

B. Competitive Sealed Proposals

1. Conditions for Use - When the purchasing agent determines that the use of competitive sealed bidding is either not practicable, applicable to meeting the needs of operating units or not advantageous to the County, an award may be made by the use of competitive sealed proposals.
2. Request for Proposals - Proposals shall be solicited through a request for proposals sent out from the Operations Coordinator or under this person's direction. Such request for proposals may include requirements developed by the department(s) who will receive the item(s) or services purchased. The requirements developed by the department(s) would be based upon research and related factors concerning the appropriate performance standards, product life, application, compatibility etc.
3. Public Notice & Proposal Opening - Adequate public notice of the request for proposals being solicited, where to obtain documents for submitting proposals and when the due date deadline for submitting a response to the County shall be part of the County's request for proposals. The request for proposal shall include opportunity for public opening.

4. Receipt of Proposals - Proposals shall be handled so as to prevent intended disclosure of the offer. Each proposal shall be time clock stamped to indicate the time received and to verify submission within the due date. If submitted electronically, the County email system shall be the official time for receipt of proposals to verify submission prior to the deadline. All proposals are to be properly sealed and vendors are responsible for properly sealing and labeling submittals whether by mail, overnight delivery or email. If by overnight delivery, the actual proposal shall be in a sealed envelope within the overnight mailing package. If by email, the subject line of the email must clearly indicate a sealed proposal is being transmitted.

5. Evaluation and Award - Upon receipt of the proposals and after the opening, a proposal summary will be prepared that includes an award based upon the Operations Coordinator's and/or the relevant Department Head and/or the Administrator/Chief Financial Officer's evaluation and determination as to an award in the best interest of the County. Such evaluation may include the user department(s) to assist in the evaluation process to ensure the award meets the operational objectives of the user department.

6. County Reservations and Rights-The County of Monroe reserves the right to accept or reject any or all proposals received as a result of request for proposals or procurement solicitations. The County of Monroe shall not be obligated to award a contract solely on the basis of any response made to any request for proposal, bids or procurement solicitation nor does the County intend to, nor will it be obligated to, pay for the information solicited or obtained through any procurement process. Additionally, the County reserves the following:
 - a. To reject all proposals and re-issue an RFP at any time prior to execution of a final contract; to require, in any RFP for products and/or services that may be issued subsequent to any RFP, terms and conditions that are substantially different from the terms and conditions set forth in the original RFP; or to cancel any RFP with or without issuing another RFP.
 - b. To reject any proposal if, in the County's sole discretion, the proposal is incomplete, the proposal is not responsive to the requirements of the RFP, the proposer does not meet the qualification requirements set forth or it is otherwise determined to be in the best interest of the County to reject a proposal, bid or offer.
 - c. To supplement, amend, substitute or otherwise modify an RFP at any time prior to the execution of a final contract.
 - d. Accept or reject any or all of the items in any proposal and award a contract for the whole or only a part of any proposal if the County determines, in its sole discretion that it is in the County's best interest to do so.
 - e. To reject the proposal of any proposer that, in the County's sole judgment, has

been delinquent or unfaithful in the performance of any contract with the County, is financially or technically incapable or is otherwise deemed to not be a responsible proposer.

- f. To waive any informality, defect, non-responsiveness and/or deviation from an RFP that is not, in the County's sole judgment, material to the proposal.
 - g. To permit or reject, at the County's sole discretion, amendments (including information inadvertently omitted), modifications, alterations, and/or corrections to proposals by one or more of the proposers following proposal submission.
 - h. To request that one or more of the proposers modify their proposals or provide additional information upon which the County will rely upon to make an evaluation of the proposal.
 - i. To request additional or clarifying information from any proposer at any time, including information inadvertently omitted by a proposer.
 - j. To require that proposers appear for interviews and/or presentations of their proposals at County offices, by telephone or other virtual platform.
 - k. To require references from proposers' previous clients on projects similar in type and scope to the work sought in the RFP.
 - l. To conduct such investigations as the County considers appropriate with respect to the qualifications of any proposer and with respect to the information contained in any proposal.
7. Discussion with Responsible Vendors - Discussions may be conducted between the Operations Coordinator (and/or his designated representative) and responsible vendors concerning the respective proposals submitted. Such discussion may serve to clarify and/or answer any questions surrounding the proposal in order to achieve clarification and full understanding regarding conformance to any solicitation requirements. This discussion shall take place prior to any award, however, should circumstances justify it then the Operations Coordinator may discuss issues after award if these issues affect the vendor's ability to perform or supply the good or service.

During any discussion with vendors, they shall be accorded fair treatment with respect to any opportunity for discussion and revision of proposals and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be efforts taken to prevent disclosure of the identity of competing vendors or of information derived from other proposals. Nothing contained in this policy shall preclude the County and its officials from engaging in final negotiations in order to obtain the most favorable pricing, products, services, and performance of the vendor or

contractor.

8. Award - Award shall be made to the responsible vendor whose proposal is determined by the Operations Coordinator to be the most advantageous to the County, taking into consideration factors considered to be pertinent such as but not limited to price, availability, life cycle, performance, quality, service(s), standardization into existing County facilities, equipment and systems, etc.

C. Purchase Requirements

1. Small purchases (under \$7,500) - The Operations Coordinator shall adopt operational procedures for making small purchases of items \$7,500 or less. These procedures will allow for the comparison of offers by telephone, facsimile, mail or e-mail, published product price lists where time constraints allow so as to not disrupt the timely and orderly delivery of goods and services to the County.
2. Small Purchases (over \$7,500 but less than \$20,000.00) - For small purchases in excess of \$7,500, the Operations Coordinator shall obtain three (3) quotes for comparison. After review and where applicable consultation with the department involved an award shall be made to the vendor offering the overall lowest acceptable quotation as determined from the purchasing agent's review. The proposals or quotes are to be retained with the purchase order. Proposals may be submitted in the form of fax, email response, conventional mail or courier. If after attempts to obtain three (3) quotes or proposals is not successful, the Operations Coordinator shall document the firms contacted and unresponsive and may proceed with the purchase.
3. Purchases Above \$20,000 - Any purchase or order for more than \$20,000.00 may be made in accordance with a formal process of an RFP or solicitation letter to vendors seeking formal proposal responses. . Any requirements shall not be intentionally divided so as to constitute a small purchase less than the intent of the policy. This procedure shall not prevent the solicitation of written quotes, proposals or bids when timely response to operating units of the County is required for continued operations and to keep supplies or services readily available.
4. Re-orders - During the procurement process when prices are quoted and following an agency or department re-orders the same item, supply or services, prices need not be re-quoted if pricing from the original awarded vendor remains unchanged.
5. Petty Cash Purchases - Petty cash accounts may be utilized for the purchase of miscellaneous items, supplies, services etc. for amounts up to \$200.00 per purchase. The use of the County credit card may apply also for this type of purchase.

- D. Sole Source Procurement - A contract or order may be awarded without competition when the Operations Coordinator and others involved in sourcing products and services determine, after a good faith review of available sources, that there is only one source for

the required supply, service, equipment or construction item. This method may apply for replacements of OEM parts and/or components of equipment and systems, expansion or capacity increases of equipment where the same manufacturer or vendor purchase is in the County's best interest to most efficiently manage or maintain equipment or systems. This may also apply to direct purchases from the manufacturer or when the Operations Coordinator determines the superiority of a manufacturer's product over another.

- E. Emergency Procurements - Notwithstanding any other provisions of this policy, the Operations Coordinator may make or authorize others to make emergency procurement of supplies, services, equipment or construction items when circumstances exist in order to allow for the continued operation of a department and/or the health/safety and welfare of the public or employees is threatened as determined by the Operations Coordinator who may consult with other officials in making a qualified decision.

- F. Cooperative Purchasing Programs - Notwithstanding any other provision of this policy, the Operations Coordinator may make or authorize the purchase of supplies, equipment, products or services available thru cooperative purchasing programs and associations. The decision to purchase from these programs shall be made by the Operations Coordinator with any necessary consultation with the department and considering among other issues delivery, packaging, minimum order requirements, product/equipment quality and follow-up service if applicable.

Such participation in cooperative purchasing shall be allowed pursuant to Act 431 of Public Acts of 1984, Section 263(2). (Management Budget Act)

- G. Cancellation of Invitations for Bids and Requests for Proposals - An invitation for bids, request for proposals, or other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the solicitation, at any time for any reason as determined solely by the County. Each solicitation issued by the County shall state that the solicitation may be canceled and that any bid or proposal may be rejected in whole or in part for good cause when the Operations Coordinator determines it is in the best interests of the County. Notice of cancellation shall be sent to each business solicited.

- H. Amendments to Invitations for Bids or Requests for Proposals - An invitation for bids, a request for proposals or other solicitation may be amended by issuance of an addendum prior to the submittal deadline. The addendum shall provide for certain changes and/or clarifications in specifications, requirements, due date, submittals etc.

- I. Responsibility of Bidders and Offerors - Determination of Non-responsibility: If a bidder or offeror who otherwise would have been awarded a contract is found non-responsible, a written determination of non-responsibility, setting forth the basis of the finding, shall be prepared by the Operations Coordinator. Other representatives of the County may assist in researching the issues surrounding non-responsibility for submittal to the Operations Coordinator who in turn will make a determination.

The failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such bidder or offeror. A copy of the determination will be sent to the non-responsible bidder or offeror.

Nothing in this policy, however, shall be considered failure to supply information if such requested information is considered to be proprietary in nature of the bidder or offeror. The Operations Coordinator may consult with the Administrator/CFO and or legal counsel in determining proprietary information.

- J. Bid, Payment and Performance Bonds - Bid surety, payment bonds, or performance bonds or other security may be required for contracts in conformance with state law or as the County Administrator/CFO deems advisable to protect the County's interest. Any bonding requirements shall be set forth in the solicitation. Bid or performance bonds shall not be used as a substitute for a determination of a bidder or offeror's responsibility. Financial statements or performance bonds may be required from any company which has been in operation for less than one year if the Operations Coordinator questions an ability to supply material or performance of work. Additionally, as required in the RFP, the vendor shall provide requested Certificates of Insurance to the County prior to commencing work. Failure to provide proof of insurance may result in cancellation of the contract.

Section 3-Types of Contracts and Contract Administration

A. Types of Contracts

1. General Authority - Subject to the limitations of this section, any type of contract which is appropriate to the procurement and which will promote the best interest of the County may be used. These may include purchase orders, association contract forms, service contracts and other agreements drafted specifically for the procurement. The terms and duration shall be determined by the Operations Coordinator who may consult with the receiving department or agency for the type of product or service to be provided.

2. Multi-term:

- a. Unless otherwise provided, a contract or award may be entered into for any period of time deemed to be in the best interest of the County. Awards may be extended by mutual agreement that align with the original procurement solicitation and as originally proposed.

If it is determined to be in the County's best interest such agreements may be extended through a negotiated extension where price, quality and service issues are negotiated between the County and selected vendor. Any extensions shall be approved by the County Administrator/CFO which may be subject to annual review.

- b. Cancellation due to Unavailability of Funds - When funds are not appropriated or otherwise made available to support continuation, the contract shall be canceled. Earliest possible notification shall be made to the vendor regarding any cancellation.

3. Multiple Source Award:

- a. General - a multiple source award is an award of an indefinite quantity for one or more items or services to more than one offeror.
- b. A multiple source award may be made when award to two or more bidders or offerors for similar products is necessary for adequate delivery, service or product compatibility. Multiple source awards shall not be made when a single award will meet the County's needs without sacrifice of economy or service. Awards may not be made for the purpose of dividing the business. Awards shall be limited to the least number of supplies necessary in order to provide for economy and overall savings in the County's cost of operation. The County, however, shall reserve the right to take bids or proposals separately if after consideration of particular needs and/or quantity, quality issues it is determined to be in the County's best interest.

B. Contract Clauses and their Administration

- 1. Contract clauses - Contracts for supplies, services and construction will include provisions necessary to define the responsibilities and rights of the parties to the contract. The Operations Coordinator , after consultation with the Legal Advisor, may issue clauses appropriate for supply, service or construction awards, addressing among others the following subjects:
 - a. The unilateral rights of the County to order changes in the work within the scope of the contract;
 - b. The unilateral right of the County to order in writing temporary stopping of the work or delaying performance that does not alter the scope of the contract;
 - c. Liquidated damages
 - d. Specified reasons for delay or non-performance
 - e. Termination of the contract for default
 - f. Site conditions differing from those indicated in the contract or ordinarily encountered, except that a differing site conditions clause need not be included in a contract:

1. When the contract is negotiated;
 2. When the contractor provides the site or design; or
 3. When the parties have otherwise agreed with respect to the risk of differing site conditions
2. Standard Clauses and Their Modification - The Operations Coordinator, after consultation with the Legal Advisor, may establish standard contract clauses for use in County contract. If the Operations Coordinator establishes any standard clauses addressing the subjects set forth in Subsection (1) of this section, such clauses may be varied provided that the circumstances justify such variations.
- C. Contract Administration - A contract administration system designed to insure that a contractor is performing in accordance with the solicitation or any modification under which the contract was awarded, and the terms and conditions of the contract, shall be maintained. This system may consist of meetings with receiving agencies or departments, verbal or written reports and the day to day monitoring of services being provided. Other County employees may be assigned responsibility for contract administration separately or jointly with the Operations Coordinator or others to administer contracts.
- D. Right to Inspect Plant - The County may, at reasonable times, inspect the part of the plant, place of business, or worksite of a contractor or subcontractor which is pertinent to the performance of any contract awarded or to be awarded by the County. Such inspection may be used in evaluating the capacity of a contractor to perform the required work and may affect the decision to award or to continue providing services.

Section 4 Specifications

Specifications are to be drafted so as to promote overall economy for the purposes intended and encourage competition. This applies to all specifications developed including but not limited to those prepared for the County by architects, engineers, designers and draftsmen.

- A. Brand Name or Equal Specification
1. Use - Brand name or equal specifications shall be used when the Operations Coordinator determines that:
 - a. No other design or performance specifications or qualified products list is available;
 - b. Time does not permit the preparation of another form of purchase description that details the requisite specifications, design, standards, etc and including a brand name specification provides a qualified description;
 - c. The nature of the product or the nature of the County's requirements makes use of a brand name or equal specification suitable for the procurement and

follow-up service, replacement parts, etc.;

- d. Use of a brand name or equal specification is in the County's best interest.
2. Nonrestrictive Use - Where a brand name or equal specification is used in a solicitation, the brand name specification is for the purpose of describing the standard of quality, performance, and characteristics desired and not intended to limit or restrict competition.

B. Brand Name Specification

1. Use - Where applicable the Operations Coordinator may determine that only an identified brand name item or items will serve to satisfy the County's needs.

The Operations Coordinator shall have authority in specifying a manufacturer's product over another when he determines that because of quality, performance, lifecycle, costs, etc. and those other criteria as listed in 3.4 above, it is in the County's best interest to specify a single manufacturer.

Should a vendor object to a specified product the burden of proof to demonstrate an equal to the specified product falls upon the challenging vendor to show his product to be equal to or better than the one specified.

2. The Operations Coordinator will seek to identify sources from which the designated brand name item or items can be obtained and solicit sources to achieve whatever degree of price competition is practicable. If only one source can supply the requirement, the procurement shall be in accordance with sole source procurement methods.

Section 5 Procurement of Construction Services

A. Management of Construction Contracting

1. Selection of Methods of Construction Contracting Management - The Operations Coordinator shall have discretion to select the appropriate method of construction contracting management for a particular project. In determining which method to use, the Operations Coordinator shall consider the County's requirements, the project type and scope of project and its complexity, its resources, and the potential contractor's capabilities.

B. Bid Security and Performance Bonds:

1. Bid Security

- a. Requirement for Bid Security - Bid security may be required for competitive

sealed bidding for construction contracts when the price is estimated to exceed \$500,000. Bid security shall be a bond provided by a surety company authorized to do business in the State of Michigan, or the equivalent in cash, cashier's check, money order or certified check, or otherwise supplied in a form satisfactory to the purchasing agent. Nothing herein shall prevent the requirement of such bonds on construction work under \$500,000 when the circumstances warrant. In lieu of a bond, a contractor may agree to invoice for work only after completed and accepted by the County in whole or in part as the project progresses with agreed upon milestones of completion and acceptance.

- b. Amount of Bid Security - Bid security shall be determined by the Operations Coordinator notwithstanding, an amount equal to at least 5% of the amount of the bid.
- c. Rejection of Bids for Non-compliance with Bid Security Requirements - When the invitation or solicitation for bids requires security, noncompliance in submitting the required security will be cause for the bid to be rejected.

2. Contract Performance and Payment Bonds

- a. When Required-Amounts - When a construction contract is awarded, the following bonds or security may be required as indicated in the invitation or solicitation:
 - 1. A performance bond satisfactory to the County, executed by a surety company authorized to do business in the State of Michigan or otherwise secured in a manner satisfactory to the County, in an amount equal to 100% of the price specified in the contract; and
 - 2. A payment bond satisfactory to the County, executed by a surety company authorized to do business in the State of Michigan or otherwise secured in a manner satisfactory to the County, for the protection of all persons supplying labor and material to the contractor or its subcontractors for the performance of the work provided for in the contract. The bond shall be an amount equal to 100% of the price of the contract.
 - 3. The County may hold a 10% retainage amount until the project is totally complete and accepted.

3. Authority to Require Additional Bonds - Nothing in this section shall be construed to limit the authority of the County to require a performance bond or other security in addition to those bonds, or in circumstances other than specified in Subsection (1) of this section. Such other specific bonds may include labor and material bonds

in the amount of 100% of the value of the project.

4. Exemption - The County may allow for a contractor not to post performance bonds if the work will be short in duration and the contractor does not submit payment request until all work is completed and accepted by the County. Such agreement will be mutual and agreed to prior to award of contract or purchase order.

Section 6 Debarment or Suspension

- A. Authority to Debar or Suspend - After reasonable notice to the person involved and reasonable opportunity for that person to be heard, the Operations Coordinator, after consulting with the Legal Advisor, is authorized to debar a person and/or Company for cause from consideration for award of contracts. The debarment shall be for a period of not more than three years. After consultation with the Legal Advisor, the purchasing agent is authorized to suspend a person from consideration for award of contracts if there is probable cause to believe that the person has engaged in any activity which might lead to debarment. The suspension shall be for a period not to exceed three months. The causes for debarment include:
 1. Conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
 2. Conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which seriously and directly affects responsibility as a County contractor;
 3. Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;
 4. Person or company has brought litigation against the County or any of its offices or Courts and the litigation is currently ongoing. At the conclusion of the litigation, if the outcome is favorable to the County and the claims brought by the person or company not sustained, the County may extend the disbarment for a period beyond three (3) years upon concurrence of County legal counsel.
 5. Violation of contract provisions, as set forth below, of a character which is regarded by the Operations Coordinator to be so serious as to justify debarment action:
 - a. Deliberate failure without good cause to perform in accordance with the specification or within the time limit provided in the contract; or
 - b. A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to

perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment;

6. Any other cause the Operations Coordinator determines to be so serious and compelling as to affect responsibility as a County contractor, including debarment by another government entity for any cause listed in this Policy.
- B. Decision to Debar or Suspend - The Operations Coordinator shall issue a written decision to debar or suspend. The decision shall state the reasons for the action taken and inform the debarred or suspended person involved.
 - C. Notice of Decision - A copy of the decision to debar or suspend shall be mailed or otherwise furnished immediately to the debarred or suspended person.
 - D. Finality of Decision - A decision under Section 7.1 (Decision to Debar or Suspend) shall be final and conclusive, unless fraudulent, or the debarred or suspended person within 10 days after receipt of the decision makes an appeal to the County Administrator/CFO or commences a timely action in court in accordance with applicable law.

Section 7 Appeals and Remedies

- A. Bid Protests (Right to Protest) - Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract may protest to the County Administrator/Chief Financial Officer. Protestors are urged to seek resolution of their complaints initially with the Operations Coordinator. A protest with respect to an invitation for bids or request for proposals shall be submitted in writing prior to the opening of bids or the closing date of proposals, unless the aggrieved person did not know and should not have known of the facts giving rise to such protest prior to bid opening or the closing date for proposals. On the day submitted or the first business day thereafter, the County Administrator/Chief Financial Officer shall provide a copy of the protest to the Operations Coordinator. The protest must be submitted within seven (7) calendar days after such aggrieved person knows or should have known of the facts giving rise thereto.
- B. Contract Claims
 1. Decision of the Operations Coordinator - All claims by a contractor against the County relating to a contract, except bid protests, shall be submitted in writing to the Operations Coordinator for a decision. The contractor may request a conference with the Operations Coordinator on the claim. Claims include, without limitation, disputes arising under a contract, and those based upon breach of contract, mistake, misrepresentation, or other cause for contract modification or rescission.
 2. Notice to the Contractor of the Operations Coordinator's Decision - The decision of the Operations Coordinator shall be promptly issued in writing, and shall be immediately mailed or otherwise furnished to the contractor. The decision shall state the reasons for the decision reached.

3. Finality of Operations Coordinator's Decision; Contractor's Right to Appeal - The Operations Coordinator's decision shall be final and conclusive unless, within seven (7) calendar days from the date of receipt of the decision, the contractor mails or otherwise delivers a written appeal to the County Administrator/Chief Financial Officer or commences an action in a court of competent jurisdiction.
 4. Failure to Render Timely Decision - If the Operations Coordinator does not issue a written decision regarding any contract controversy within ten (10) business days after written request for a final decision or within such longer period as may be agreed upon between the parties, then the aggrieved party may proceed as if an adverse decision had been received.
- C. Authority of the Operations Coordinator to Settle Bid Protests and Contract Claims - The Operations Coordinator is authorized to settle any protest regarding the solicitation or award of a County contract, or any claim arising out of the performance of a County contract, prior to an appeal to the County Administrator/Chief Financial Officer or the commencement of an action in a court of competent jurisdiction.

Section 8 Ethics

- A. Conflicts of Interest - It shall be unethical for any County employee, elected official or court employee to participate directly or indirectly in a procurement, service, training or other contract when the County employee knows that:
1. The County employee or any member of the County employee's immediate family has a financial interest pertaining to the contract; or
 2. Any other person, business, or organization with whom the County employee or any member of a County employee's immediate family is negotiating or has an agreement concerning prospective employment is involved in the contract.
- B. General
1. It shall be unethical for any payment or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.
 2. It shall be unethical for a person to be retained, or to retain a person, to solicit or secure a County contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.
 3. It shall be unethical for any County Employee who is participating directly or

indirectly in the procurement process to become or to be, while such a County employee, the employee of any person contracting with the governmental body by whom the employee is employed.

4. The County Legal Advisor may grant a waiver from the employee Conflict of Interest provision Section 9.1 or the Contemporaneous Employment provision Section 9.2(c) upon making a written determination that:
 - a. The contemporaneous employment or financial interest of the County employee has been publicly disclosed;
 - b. The County employee will not be able to perform his/her procurement functions without actual bias or favoritism; and
 - c. The award will be in the best interest of the County.
 - d. The waiver is not in violation of any State law regarding matters of conflict of interest.

Definitions

- A. Approved Vendor - Vendor in good standing with the County who previously has performed services or provided goods to the County and is included on mailing lists for future Requests for Proposals, quotes or bids. Vendors may also become approved vendors by submitting a completed vendor application and meeting the County's minimum criteria to become an approved vendor or by submitting a request in writing indicating the types of goods and services the vendor is interested in bidding on.
- B. Approved Vendor List - Listing of approved vendors that is updated as vendors submit applications and are added to the list. Annually, the list is reviewed for accuracy and edited to correct the list.
- C. Brand Name or Equal Specification - A specification limited to items by manufacturers' names or catalogue numbers to describe the standard of quality, performance, and other salient characteristics needed to meet County requirements, and which provides for the submission of equivalent products.
- D. Brand Name Specification - A specification limited to items by manufacturers' names or catalogue numbers.
- E. Business - Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.
- F. Construction - The process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property.

- G. Contract - All types of County agreements, regardless of what they may be called, for the procurement of supplies, services, or construction.
- H. Contractor - Any person having a contract with the County or a using agency thereof.
- I. Direct or Indirect Participation - Involvement through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity.
- J. Employee - An individual drawing a salary or wages from the County, whether elected or not; any non-compensated individual performing personal services for the County or any department, agency, commission, council, board, or any other entity established by the executive or legislative branch of the County; and any non-compensated individual serving as an elected official of the County.
- K. Financial Interest
1. Ownership of any interest or involvement in any relationship from which , or as a result of which, a person within the past year has received, or is presently or in the future entitled to receive more than \$500.00 per year, or its equivalent;
 2. Ownership of 25 percent (25%) of any property or business, or;
 3. Holding a position in a business such as officer, director, trustee, partner, employee, or the like or holding any position of management.
- L. Immediate Family - A spouse, children, parents, brothers, and sisters.
- M. Invitation for Bids - All documents, whether attached or incorporated by reference, utilized for soliciting sealed bids.
- N. Person - Any business, individual, union, committee, club, other organization, or group of individuals.
- O. Price Analysis - The evaluation of price data, without analysis of the separate cost components and profit as in cost analysis, which may assist in arriving at prices to be paid and costs to be reimbursed.
- P. Price Data - Factual information concerning prices for items substantially similar to those being procured. Prices in this definition refer to offered or proposed selling prices, historical selling prices and current selling prices. The definition refers to data relevant to both prime and sub-contract prices.
- Q. Procurement - The buying, purchasing, renting, leasing, or otherwise acquiring of any

supplies, services, or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration.

- R. Public Agency - A public entity subject to or created by the County.
- S. Qualified Products List - An approved list of supplies, services, or construction items described by model or catalog numbers, which, prior to competitive solicitation, the County has determined will meet the applicable specification requirements.
- T. Request for Proposals - All documents, whether attached or incorporated by reference, utilized for soliciting proposals.
- U. Responsible Bidder of Offeror - A person who has the capability in all respects to perform fully the contract requirements, and the tenacity, perseverance, experience, integrity, reliability, capacity, facilities, equipment, and credit which will assure good faith performance.
- V. Responsive Bidder - A person who has submitted a bid which conforms in all material respects to the requirements set forth in the invitation for bids.
- W. Services - The furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports which are merely incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements.
- X. Specification - Any description of the physical or functional characteristics or of the nature of a supply, service, or construction item. It may include a description of any requirement for inspecting, testing or preparing a supply, service, or construction item for delivery.
- Y. Supplies - All property, including but not limited to equipment, materials, printing, insurance, and leases of real property, excluding land or a permanent interest in land.
- Z. Using Agency/Department - Any department, commission, board or public agency requiring supplies, services or construction procured pursuant to this Policy.

Policy Compliance:

A. Responsibility:

1. Elected Official/Judges/Department Head/Authorized Representative: Each is responsible for ensuring this policy is followed when purchasing supplies, services and construction.

2. Operations Coordinator: Shall carry out the procurement of supplies, services and construction in accordance with this policy.
3. Administrator/Chief Financial Officer: Shall have responsibility for overseeing and implementing this policy.

Legislative History of Authority for Creation or Revision:

Adopted pursuant to action of the Monroe County Board of Commissioners, dated May 10, 1994.

Revised pursuant to action of the Monroe County Board of Commissioners, dated March 24, 1999, February 27, 2001, November 1, 2022