



BEAUFORT COUNTY COUNCIL

Procurement Policies and Procedures Manual

PROCUREMENT SERVICES DEPARTMENT

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COUNTY PROCUREMENT POLICIES, PROCESSES & REGULATIONS

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CHAPTER 1 - GENERAL PROVISIONS

1-100 STATEMENT OF GENERAL POLICY

Beaufort County's policy is that all purchasing shall be conducted strictly based on economic and business merit in accordance with state and federal law. In addition to price, the County will:

- 1. Provide the best service possible to all County departments in a fair and equitable manner;**
- 2. Ensure an atmosphere of equality to all vendors without regard to undue influence or political pressure;**
- 3. Protect the interests of the Beaufort County taxpayers in all expenditures.**

Beaufort County intends to maintain a cost-effective purchasing system conforming to good management practices. To succeed, the system must be backed by the proper attitudes and cooperation of all department heads, officials, and every supervisor and employee of Beaufort County. Establishing and maintaining a good purchasing system is possible only through cooperative effort. The responsibility of purchasing ultimately rests with Beaufort County Council and the County Administrator. The Procurement Services Director, as an agent of the County Administrator, aids in the purchasing process at all dollar levels and is directly responsible for purchases under \$50,000. Awards greater than \$50,000 must be approved by the County Administrator, and procurement awards of over \$150,000 must be approved by the appropriate Committee or County Council. The Procurement Services Director, as authorized by the County Council and County Administrator, shall instruct departments, agencies, and elected/appointed officials as to the various rules and procedures needed to fulfill the Procurement Services Director's duties. The purchasing process is not instantaneous. Time is required to complete the steps required by the Beaufort County Procurement Ordinance and State law. To accomplish timely purchasing of products and services at the least cost to Beaufort County, all departments, agencies, and elected/appointed officials must cooperate fully. Prior planning and the timely submission of requisitions are essential to expedite the purchasing process and to ensure that the process is orderly and lawful.

1-101 BASIS & PURPOSE

These policies and procedures (regulations) in this manual are promulgated in accordance with Beaufort County Code Division 4, Procurement Services. Beaufort County adopts these policies and procedures, and material changes in the contents of this manual shall be made only by the Procurement Services Director with approval from the County Attorney and County Administrator.

These regulations (policies and procedures) set forth the following elements of a centralized purchasing function:

- The concept of a centralized purchasing authority that will institute and maintain an effective and economical program for the acquisition of goods and services; and
- The purchase of needed equipment, materials, supplies, and services at favorable prices in keeping with suitability, appropriate quality, and reliable vendor performance.

These policies and procedures are designed to simplify, clarify, and update the procurement and contracting processes for all Beaufort County employees and elected and appointed officials. They are meant to encourage effective competition, ensure prudent expenditures, and ensure a quality and integrity procurement system. Employees and elected or appointed officials may find the Procurement Code link and the code on the Beaufort County SharePoint page in Chapter 10 of this manual.

The purpose of the Purchasing Policy and Procedures Manual is to:

1. Ensure the fair and equitable treatment of all persons who deal with the procurement and finance system of the County;
2. Foster public confidence in the procurement and finance procedures followed by the County;
3. Comply with applicable County, State, and Federal laws;
4. Secure the advantages and economies derived from a centralized and standardized expenditure control system;
5. Promote the use of modern, professional, and ethical business methods when using public funds to secure supplies, materials, equipment, and services or to dispose of surplus goods and equipment;
6. Consolidate existing procurement/finance policies and practices; and
7. Develop a comprehensive set of procedures applicable to the many different needs of the County.

1-102 APPLICATION

These regulations shall apply to every department, agency, commission, elected or appointed official, bureau, or other division of Beaufort County, except as set forth in Subsections (a) through (e) below:

- a) Nothing in these regulations shall prevent the County from complying with the terms and conditions of any grant, bequest, or cooperative agreement, providing that competitive procedures as described in these regulations shall be followed whenever possible.
- b) When procurement involves the expenditure of federal assistance or contract funds, the County shall follow any mandatory requirements of applicable federal law and implement regulations as stipulated by the language in the actual grant.
- c) Sealed bids/invitations for bids (IFBs) are prohibited for procuring professional services. Under the guidelines set forth in these regulations, a Request for Qualifications (RFQ) will be the preferred method for procuring these services.
- d) These regulations shall apply to the leasing, rental, acquisition, or disposition of real property. For leasing, purchasing, or renting real property, contact the Legal Department.
- e) The purchase and/or sale of financial instruments such as Certificates of Participation (COPs), Bonds, etc. are exempt from these regulations.

1-103 TERMS DEFINED IN THESE REGULATIONS

Except as specifically defined in this Section, all words used in this Division have their customary dictionary meaning. For purposes of this Division, the following words, terms, and phrases shall have the meanings ascribed in this Section, except where the context clearly indicates a different meaning:

Advertisement or Advertise means a public legal notice in a general circulation newspaper containing information about formal solicitations (those purchases anticipated to exceed \$50,000) such as Invitation to Bid, Request for Proposal, Request for Qualifications, and other types of purchases as mandated.

Addendum means a written change to a bid, quote, RFQ or RFP during the solicitation process.

After the Fact Purchase means a request to create a purchase order in support of a good, service, or contract that has already been received or executed. Purchase orders or contracts resulting from an "Emergency Purchase" are not considered an "After the Fact" purchase.

Agreement means the bargain of the parties in fact as found in their language or by implication from other circumstances, including a course of dealing, usage of trade, or course of performance. Whether or not an agreement has legal consequences is determined by the

provisions of state law, if applicable; otherwise, by the law of contracts.

Amendment means a document used to change the terms and/or conditions of a Solicitation.

Annual Term Contract means a recurring contract for goods or services, usually in effect for a 12-month period.

Architect-Engineer and Land Surveying Services - means those professional services within the scope of the practice of architecture, professional engineering, or land surveying, as defined by State laws.

Auditor means a Beaufort County Auditor and the designated representatives to include outside auditors hired by the County.

Authorized Person means those Officials or Employees authorized to execute County Contracts as set forth in Section 2-506 of the County Procurement Code.

Availability of Funds Certification (Budget Form) means certification in the form of a contract requisition, including the department's proper account number from which these funds are sufficient and available to obligate the county contractually. The availability of funds must be certified before soliciting bids or proposals. Department Heads must complete the Purchasing Budget Form and have the CFO sign the form as well.

Award means the acceptance of a bid or proposal, presenting a purchase agreement or contract to a bidder.

BAFO means "Best and Final Offer."

Best Bid means a bid that is not necessarily the lowest but best fits the needs and interests of the County when considering the bidders' responsibility, completion, and delivery date. "BEST INTEREST OF THE COUNTY" – A term granting a County Contracting official the authority to use discretion to take action felt to be the most advantageous to the County, including awarding a contract to the lowest best bid.

Bid means an offer, as a price for payment or acceptance, given to the County by a bidder on a County contract.

Bid Award means an award of a bid for funds that have lawfully been appropriated by the County Council.

Bidders List is a computerized database of vendors who have indicated in writing an interest in submitting bids or proposals for particular categories of goods and services.

Bond means an insurance agreement in which a third-party surety agrees to be liable to pay a certain amount of money if the bidder's bid is accepted by the County and the bidder fails to accept the contract as awarded and approved as to form by the Director of Purchasing and the County Attorney.

Types of Bonds:

- a) *Bid Bond* – A promise that promises the bid will not be withdrawn before contract award. Normally it is five percent (5%) of the highest amount bid and is in the form of a financial guarantee provided by a surety; however, it can be cashiers or certified checks, or U.S.

currency. Bonds of unsuccessful bids are returned after the award. The bond of the successful bidder is retained until the contract is executed and any necessary payment/performance bonds are submitted and accepted. If the successful bidder refuses to execute the contract or submit proper payment and performance bonds, then the bid bond is "called" for the difference between their bid and that of the next low-responsive, responsible bidder, up to the penal amount of 5% of the bond.

- b) **Payment Bond** – A guarantee that promises payment to subcontractors and suppliers on a contract during performance. It must be submitted before any work. It is normally one hundred percent (100%) of the contract price and is a financial guarantee provided by a surety, but it can be cashier's or certified checks, or U.S. currency. It is normally maintained until the expiration of any required warranty. If the contractor fails to pay subcontractors and suppliers, then the payment bond is "called" for the amount of non-payment.
- c) **Performance Bond** – A guarantee that promises the contract will be performed as required. It must be submitted before any work. Normally it is one hundred percent (100%) of the contract price and is in the form of a financial guarantee provided by a surety, but it can be cashier's or certified checks, or U.S. currency. It is normally maintained until the expiration of any required warranty. If the contractor fails to perform and complete the contract as required, then the performance bond is "called" for the amount required to complete the contract. A surety that provides a bond may be permitted to "take over" a failed or defaulted contract.

Brand Name or Equal Specification means a requirement that cites brand names, model numbers, or other identifications as representing quality or performance called for when inviting bids on comparable items or products of any manufacturer.

Brand Name Specification is a specification that cites the brand name, model number, or other designation that identifies a specific product to be offered exclusively.

Calculation of Solicitation Dollar Value means that when calculating the estimated value of procurement to determine whether it is solicited under informal or formal procedures, the agency shall use the estimated value of the services or items being purchased plus the value of any applicable option years.

Capital Assets means an item acquired through purchase, donation, construction, or transfer, with a tangible value of Ten Thousand (\$10,000) Dollars or greater and a useful life of over two (2) years. Under the direction of the Procurement Services Director, the County Asset Manager may deem any county-owned item as a managed capital asset.

Centralized means a purchasing system in which the authority, responsibility, and control of purchasing activities are concentrated in one administrative unit.

Certificate of Insurance (COI) is a document issued by an insurance company that certifies that an insurance policy has been bought and shows an abstract of the most important provisions of the insurance contract (required for all construction and service contracts).

Change Order or Contract Modification means a written document signed and issued by an Authorized Person and a county contractor altering the specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.

Competition Dollar Threshold is the maximum dollar amount for a requirement that does not

require competitive advertising to the public (up to \$50,000). State contracts, GSA purchases, Cooperative contracts, and Vendors who are pre-qualified professional services or on-call contractors under the threshold of \$50,000 do not require competitive advertising to the public.

Competitive Bid Process means a formal or informal procurement process that requests quotes, bids, qualifications, and proposals from sellers or vendors for the provision of goods or services. This process requires an Employee to evaluate each vendor response and select the vendor who offers the lowest price, is most qualified, or provides the best value to the County.

Competitive Proposal Process means the process by which vendors compete with each other to provide goods/services in compliance with Beaufort County Procurement Code Section 2-510.

Competitive Sealed Bidding means submitting firm prices by individuals or firms for a contract, privilege, or right to supply merchandise or services. The Invitation for Bid (IFB) is used to solicit competitive sealed bids.

Component Purchases means purchasing product parts that would normally be purchased as a whole to circumvent the County's established competitive bid thresholds. A county officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes separate, sequential, or component purchases to avoid competitive bidding requirements.

Confidential Information means subject to the Open Records Act, any information that is available to a county employee only because of the employee's status as a public employee and is not a matter of public knowledge, such as trade secrets and test data, which may be provided to the County on a confidential basis during the contracting process.

Construction means 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.

Construction Management at Risk means a project delivery method in which the County awards separate contracts, one for design services and the second to a construction manager at-risk for both construction of the project according to the design and construction management services, which include but are not limited to those Professional Services associated with contract administration, project management, and other services provided in connection with the administration of a construction project.

Consultant Services means any narrow discipline wherein a known practitioner has, through education and experience, developed expert advisory and programmed skills as a vocation; any service performed primarily by vocational personnel that requires the analysis or certification of a professional before the services are acceptable to the user of the service or any other advisory, study or programming activity. The Director of Purchasing may determine, in writing, that the level of skills and/or creativity of the potential or known practitioner(s) warrant procurement in lieu of a competitive bid or quotation process.

Contract means a written agreement executed by the County and a vendor containing the terms and conditions under which goods/services are to be furnished to the County. When properly signed by the authorized County representatives, a contract is a commitment for County funds.

Contractor means any person having a contract with the County.

Contract Modification (Bilateral Change) means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the contract parties.

Contractors On-Call List means a project delivery method in which a vendor or groups of vendors are selected after a competitive solicitation process to provide services or materials to the County for one or more types of projects over a period of time not to exceed three (3) years.

Co-operative Purchasing Entity means an organization or alliance of municipalities or other governmental bodies throughout the United States established to achieve economies of scale and innovations through group purchasing strategies, shared resources, and centrally administered competitive procurement processes to afford value and discount pricing programs to its members.

Cost Analysis means evaluating cost data to arrive at the cost actually incurred or estimates of costs to be incurred, prices to be paid, and expenses to be reimbursed.

Cost Data means factual information concerning the cost of labor, material overhead, and other cost elements that are expected to be incurred or which have been actually incurred by the contractor in performing the contract.

Cost Reimbursement Contract means a contract under which a contractor is reimbursed for allowable and allocable costs in accordance with the contract terms and this division, as well as a fee or profit, if any.

County means Beaufort County, a political subdivision of the State of South Carolina, including all County Departments/Divisions and Elected/Appointed officials.

County Attorney means Beaufort County Attorney's Office or their designated representatives.

County Clerk to Council means Beaufort County Clerk to Council or their designated representatives.

County Council Committees means the committees comprised of members of County Council.

Customers means the County departments, employees, or elected/appointed officials.

Debarment means the exclusion for cause of a vendor or contractor from bidding and/or receiving a contract to do business with the County.

Delegation of Authority or Delegate Authority means the transfer of decision-making power, responsibilities, and authority from one individual to another, where said transfer shall only be deemed to have occurred if memorialized in writing and signed by the assignor.

Demolition means removing or destroying any structure or building and appurtenances thereto, as well as a road or drainage utility.

Department means all County offices and subdivisions, as well as district offices and subdivisions, when the purchase is even partially funded by County money.

Design Services means those Professional Services associated with the practice of architecture, professional engineering, land surveying, landscape architecture, and interior design on construction, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform, including without limitation studies,

investigations, surveys, evaluations, consultations, planning, programming, conceptual design, plans and specifications, construction documents, cost estimates, construction observations, shop drawing reviews, sample recommendations, preparation of operating and maintenance manuals and other related services.

Design-Bid-Build is a project delivery method in which the County sequentially awards separate contracts following competitive processes. The first is for design services, and the second is for project construction according to the design.

Design-Build is a project delivery method in which the County enters into a single contract for the design and construction of a project.

Design-Build-Finance-Operate-Maintain means a project delivery method in which the County enters into a single contract for a project's design, construction, finance, maintenance, and operation over a contractually defined period.

Design-Build-Operate-Maintain means a project delivery method in which the County enters a single contract for a project's design, construction, maintenance, and operation over a contractually defined period.

Designee means an Individual or Procurement Services Department employee given the authority to perform County business as an additional representative to the Procurement Services Director.

Direct Official means elected County officials, appointees, administrative officers, or employees. In contrast, a County employee is responsible for taking actions that include negotiating, approving, disapproving, administering, enforcing, or recommending for or against a contract, purchase order, lease, concession, franchise, grant, vendor, concessionaire, land use or any other matter to which the County is a party. "Recommending" shall mean someone in the formal line of decision-making for the matter.

Disadvantaged Business Enterprise (DBE) means a business in which at least 51% ownership is represented by one or more persons historically underutilized (socially disadvantaged) because they are identified as African American, Hispanic American, Asian-Pacific American, Native American, or Women.

Discussions means terminology synonymous with or meaning negotiations.

Emergency Procurement means a purchase made without following the normal purchasing procedures in order to obtain goods or services to meet an urgent and unexpected requirement. An emergency condition is a situation that threatens public health, welfare, or safety, and it may arise because of floods, epidemics, riots, equipment failures, or other such reasons as may be proclaimed by a using agency. The existence of such conditions creates an immediate and serious need for supplies, equipment, materials, and services that cannot be met through normal procurement methods and the lack of which would threaten the function of County government or the health, safety, or welfare of County residents.

Employee(s) means any individual who is monetarily compensated, draws a salary or wage from the County, excluding elected and appointed officials, and any other compensated individual performing services for the County or any department, agency, commission, council, board, or any other entity established by the County, excluding contractors and subcontractors; and whereby this definition is solely applicable to the Beaufort County Procurement Ordinance.

Evaluation of Bid means examining a bid after opening to determine the bidder's

responsibility and responsiveness to requirements and to ascertain other characteristics related to the determination of the successful bidder.

Financial Interest means ownership of or ownership in, and should be determined when:

- a. Any interest of immediate family or involvement in any relationship from which, or as a result of, a person within the past year has received, or is presently or in the future entitled to receive, equal to or greater than Five Hundred (\$500) Dollars per year, or its equivalent;
- b. Ownership of Five (5%) Percent of any real property, personal property, or business; or
- c. Holding a position or controlling interest in a business such as officer, director, trustee, partner, employee, or the like; or holding any management position.

Firm Bid Rule refers to the principles of contract law that govern Competitive Sealed Bids (Invitation for Bids—IFBs). This rule is based on the belief that it would be detrimental to the competitive bidding system if bidders were allowed to change or withdraw their bids after they had an opportunity to discover what other bidders had offered.

Formal Solicitation Process means the process used for soliciting and awarding contracts with values that exceed \$50,000. Exceptions may be made for State, GSA, and Cooperative Contract purchases. Call or email the Procurement Services Director or designee for more details. This process involves formally advertising the requirement as per these regulations, issuing either a formal IFB, RFQ, or RFP, and making the resultant award on a contract. The formal solicitation process may also be used on requirements less than \$50,000 if deemed appropriate by the Procurement Services Director or designee.

Goods means include any personal property to be purchased by the County, including equipment, supplies, material, and component or repair parts.

Gratuity means a payment, loan, subscription, advance, a deposit of money, service, or anything of more than nominal value, present or promised unless consideration of substantially equal or greater value is received.

Immediate Family means a spouse, children, parents, an individual for whom an individual has legal custody, or an individual claimed as a dependent for income tax purposes.

Informal Solicitation Process means soliciting bids or proposals for requirements up to \$50,000 from prospective contractors without formal advertising or issuing a formal IFB, RFQ, or RFP. Under the informal process, bids or proposals may be conveyed and received by letter, telephone, fax, or other means and under conditions different from those required for formal bidding. Competition is still required using this process unless waived in writing by the Procurement Services Director.

Invitation for Bids means all documents, whether attached or incorporated by reference, utilized for soliciting sealed bids. A method of formally soliciting competitive sealed bids from prospective vendors in which the intent is to award a contract to the resultant lowest responsible and responsive bidder. When the County has established specifications, the cost is the overriding consideration for the award. There is more than one qualified vendor who can meet the specifications. The use of competitive sealed bids in the form of an Invitation for Bid (IFB) is Beaufort County's preferred method of procurement of goods, services, and construction. Invitation for Bids must adhere to the "Firm Bid Rule" legalities for public procurement.

Lease means a contract to rent personal property or equipment for a period of time at specified compensation.

Legal Notice means a notice of a proposed purchase as required by law. Depending on the legal requirement, notice may be satisfied by posting an announcement of the solicitation in a public place, notification of the appropriate bidders from the plan holders list, formal advertisement in a newspaper of general circulation, posting the solicitation on the County's website, or a combination of these methods.

Local Vendor means a vendor shall be deemed to be a "Beaufort County Local Vendor" if such vendor is a Person or Business that is authorized to transact business within the state, maintains an office in Beaufort County, has a business license of Beaufort County or one of the municipalities within Beaufort County, and maintains a representative inventory of commodities within Beaufort County or one of the municipalities in which the bid is submitted and has paid all taxes duly assessed.

Lowest Responsive Bidder means the bidder submitting the lowest and best bid and meeting all bid invitation requirements.

Mistake in Bid means a miscalculation in composing a bid resulting in an incorrect price or other term that will affect the bidder's eligibility to be awarded a contract.

Modification means a document used to change the terms/conditions of a contract.

No Bid means a response to an Invitation for Bid stating that the respondent does not wish to submit a bid.

Non-Competitive Procurement means a purchase made from a sole source or justified single-source vendor.

Non-responsible Bidder is a Person or Business who has submitted a bid, proposal, or qualification that does not conform with all material aspects of the Scope of Work or specifications presented. These persons or businesses may not be considered to have or possess the following:

- a. Evidence of financial stability, material, equipment, facility, personnel resources, expertise, or ability to obtain them;
- b. A satisfactory record of performance and integrity;
- c. Qualified legally to contract with the County; and
- d. Supplied all necessary information in connection with the inquiry concerning responsibility.

Normal Purchasing Practice means following the County's Procurement Code, normal purchasing practices means:

- a. An accepted custom, practice, or standard for government procurement in the state; or
- b. A practice recognized by a national purchasing association regarding purchasing a particular good or service.

Official means an individual elected by the people or an individual appointed by the General Assembly or the Governor, including, but not limited to, the Sheriff, Auditor, Treasurer, Clerk of Court, Coroner, Public Defender, Probate Judge, Magistrates, Director of Veterans Affairs, and Director of Voter Registration and Elections. When referencing all elected and appointed officials described above, the term "Officials" shall be used.

Operations and Maintenance refers to a project delivery method in which the County enters into a single contract for a project's routine operation, repair, and maintenance.

Performance Specification means a specification describing the performance characteristics

sought in a product or service, a purchase description accenting performance over design, or a functional rather than a generic or physical specification.

Pre-Bid/Proposal Conference means a meeting between vendors and the County conducted by the Procurement Services Department to benefit those wishing to submit a bid or proposal for services/supplies required by the County. The conference is held so bidders/proposers may ask questions about the proposed contract and specifications. This meeting may be mandatory or non-mandatory.

Pre-qualification of Bidders means screening potential suppliers or contractors, in which the Procurement Services Department considers factors such as financial capability, reputation, management, etc., to develop a list of prospective bidders qualified to be sent solicitations.

Procurement means buying, purchasing, renting, leasing, or otherwise acquiring supplies, services, equipment, or construction.

Procurement Services Department means the Employee(s), regardless of department name, which serves as the County's centralized procurement office for processing the County's goods and services and provides support to the Procurement Services Director as requested and necessary to ensure compliance with the Procedures.

Procurement Services Director means the Employee, regardless of title, whose primary function is to oversee and manage, with assistance from the Procurement Services Department, all procurement activities of the County, including but not limited to compliance with the Procedures.

Professional Services means or refers to those services provided by an individual or business requiring specialized knowledge and skill, usually of a mental or intellectual nature and generally requiring a license, certificate, or registration. These services may include but are not limited to, being within the scope of the practice of architecture, professional engineering, land surveying, real property appraisal, auditors, construction management, veterinarians, consultants, legal counsel, medical services, actuary services, and lobbyists. The preferred method of procurement of Professional Services is using RFQs.

Proposal means an offer made by one party to another as a basis for negotiations for entering into a contract.

Proprietary Information means information in bids or proposals to which the vendor claims ownership or exclusive rights and is protected from disclosure as stated in the Beaufort County Procurement Code and SC State law. Subject to the Open Records Act, information or data describing technical processes, mechanisms, or operational factors that a business wishes to keep confidential and restricted from public access.

Protest means a written statement concerning an unresolved disagreement or controversy arising out of the solicitation or award of a contract.

Public Agency means a public entity subject to or created by the County that acts in an official capacity or performs functions for the County and is supported in whole or in part by public funds; this includes but is not limited to, organizations, corporations, and non-profits.

Public Procurement Unit means any agency of the Federal Government, the State of South Carolina, and any county, city, town, special purpose district, or any other government subdivision of the State of South Carolina or public agency of any such subdivision.

Purchase means any kind of acquisition, including by a lease or revenue contract; the act, function, and responsibility for acquiring goods/services, including lease, construction, and professional services.

Purchasing Card (P-Card): an instrument used to purchase goods by established procedures. See the P-Card manual in SharePoint or the link in Chapter 10 of this manual.

Purchase Order is a county document that formalizes a purchase transaction with a vendor. The purchase order contains statements about the quantity, description, price, terms, discounts, date of performance, transportation, and other factors pertinent to the purchase and its execution by the vendor. Acceptance of a purchase order by the vendor constitutes a contract. It is the vendor's authority to deliver and invoice for goods/services specified and the County's commitment to accept the goods/services for an agreed upon price.

Purchase Requisition means a document whereby a using agency requests that a contract be entered for a specific need for goods or services.

Quotation means any oral or written informal offer to the County by a vendor/contractor to furnish specific goods and services at a stated price.

Ratification means the act of the County Administrator confirming or affirming any unauthorized purchase, contract, or agreement.

Request for Information (RFI) is a non-binding method by which the County publishes its need for input from interested parties for an upcoming solicitation via newspaper, internet, or direct mail.

Request for Proposals means all documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals; the RFP procedure permits negotiation of proposals and prices as distinguished from competitive bidding and Invitation for Bids.

Request for Qualifications, or RFQ, is a solicitation document issued by a procurement entity to obtain statements of the qualifications of potential responders (development teams or consultants) to gauge potential competition in the marketplace before issuing the solicitation. RFQs may include requesting proposals as part of the solicitation process.

Requisition means the purchase requisition is the procedural method by which departments may request the purchase of goods and/or services, which require processing by the Procurement Department. This process is done in MUNIS. A purchase requisition is not required for purchases under \$5,000 or purchases made with a P-Card.

Responsible Bidder/Proposer means a Person or Business who has the capability in all respects to adequately perform the contract requirements outlined in an IFB or RFP. Factors to be considered in determining whether the County standards of responsibility have been met include:

- a. Evidence of financial stability, material, equipment, facility, personnel resources, expertise, or ability to obtain them.
- b. A satisfactory record of performance and integrity.
- c. Qualified legally to contract with the County.
- d. Supplied all necessary information in connection with the inquiry concerning responsibility.

Responsive Bidder means Responsive Bidder/Proposer means a Person or Business who has submitted a bid or proposal that responds and includes all required information and documents.

Reverse Auction Method means a real-time bidding process taking place at a previously scheduled time in which multiple prospective Contractors, anonymous to each other, submit bids to provide the designated goods or services.

Sealed Bid means a bid submitted electronically through the County's e-procurement system to prevent its contents from being revealed or known before the deadline for submitting all bids. Sealed Bids are associated with IFBs. Sealed bids are awarded without discussions/negotiations and are subject to the "Firm Bid Rule."

Selection Committee is a group of individuals who have the specific knowledge or ability necessary to evaluate proposals or bids based on evaluation criteria specified in the solicitation. The members and number of members must be void of conflict of interest and shall be appointed by the Procurement Services Director.

Services means and includes all work or labor performed for the County on an independent contractor basis, including maintenance, construction, manual, clerical, personal, or professional services.

Simplified Purchase Procedures or Small Purchases means a procedure in which purchases for goods or services up to \$50,000 may be purchased using the informal bid process.

Small Disadvantaged Business means a business that is at least fifty-one percent (51%) owned and controlled by socially disadvantaged individuals, including, but not limited to, most minority classes and women.

Sole Source refers to a situation where goods or services are only available from a single source vendor with a unique ability or knowledge concerning the supply, service, or construction or a circumstance that is beneficial to the County and the public. The sole source vendor and selection process may be based on availability, standardization, warranty, and proprietary justification issues.

Sole Source Justification is the written justification that rationalizes or justifies a specified procurement accomplished without using full and open competition.

Specification means any description of the physical, functional, or performance characteristics or the nature of a supply, service, or construction item. A specification includes, as appropriate, requirements for inspecting, testing, or preparing a supply, service, or construction item for delivery.

Split Purchase means a procurement divided into two or more purchase orders, contracts, or agreements to avoid the procurement.

Substantial Completion means the date when the construction is sufficiently complete in accordance with the construction contract, as modified by any Change Order or Change Directive so that the work or designated portion thereof is available for use and occupancy by the owner.

Task Order is the terminology used for an order (normally, a Purchase Order is issued as the obligating or funding document) placed against an existing Annual or Requirements Contract for specific services within the contract.

Trade Secret means any aspect of a business, or its operation not made available to competitors.

Two-Step Bidding means source selection involving two competitive steps: the first constitutes a technical proposal for furnishing the product or service described in the solicitation, and the second submitting prices.

Unauthorized Purchase means the procurement of goods or services that have not been properly procured through the County procurement procedures or approved by the appropriate authority as defined in this Division.

User Department means the department from whose budget line item the contract will be paid.

Using Agency means any department, commission, board, or public agency requiring supplies, services, or construction procured.

Value Analysis means an organized effort to analyze the function(s) of products, systems specifications and standards, and practices and procedures intended to satisfy the required function(s) in the most economical manner.

Vendor means one who sells something; a "seller" is an actual or potential provider of goods and services.

Vendor list and doing business with Beaufort County: In order to do business with the County, vendors should register with Purchasing through our vendor registration system, powered by Open Gov, and be registered in MUNIS as a Vendor. This does not apply to all vendors. For example, internet orders like Amazon, Walmart, Lowes, etc. The vendor must be registered in MUNIS in order to be paid.

Waiver of Bids means a process authorized by the Procurement Services Director to procure items without competitive bidding procedures because of unique circumstances related to a particular need or procurement, including emergency provisions.

CHAPTER 2 - ADMINISTRATIVE MATTERS

2-100 ESTABLISHMENT OF THE COUNTY PROCUREMENT SERVICES DEPARTMENT

The County Procurement Services Department shall be administered by and under the general supervision of the Procurement Services Director, who shall be appointed by the County Administrator and report to the CFO. The Deputy Procurement Services Director shall develop standard form contracts that are reviewed/approved by the Procurement Services Director or designee and sent to the County Attorney's Office for final approval. The approved contracts shall be used whenever possible to execute contracts on behalf of Beaufort County, South Carolina.

2-100.1 PROCUREMENT SERVICES DIRECTOR

The Procurement Services Director is responsible for all procurements which exceed \$5,000. The Procurement Services Director may delegate contract approval and execution authority to a designated staff member via written documentation. The memo shall specify the limits of the delegated authority. The Procurement Services Director is also responsible for issuing final decisions related to procurements, such as protests and appeals, and terminating contracts either for default or convenience, which exceed the competition threshold (all dollar amounts). Furthermore, the Procurement Services Director shall have the discretion to formally require procurements that exceed the competition threshold to be handled by the Procurement Services Department. The County Administrator or his or her designee shall formally approve all contracts over \$50,000, after legal and Procurement Services approval, unless otherwise waived in accordance with these regulations, and approve all sole-single source requirements over \$50,000.

When interpreting the County's procurement regulations, the Procurement Services Director may use applicable State of South Carolina or federal procurement regulations and cite legal precedents to support a decision.

2-100.2 AUTHORITY

The Procurement Services Director has the power, responsibility, and duty to purchase or contract for all supplies, services, and construction needed by all departments, divisions, offices, or Fire

Districts that derive their support wholly or partly from Beaufort County, per these regulations. All purchases must be made through and by the Procurement Services Department, except as otherwise exempted by ordinance, resolution, or other Council action.

2-100.3 ESTABLISHMENT OF THE COUNTY DEPUTY PROCUREMENT SERVICES DIRECTOR

There is hereby established a Deputy Procurement Services Director in accordance with Division 4, Procurement Code under the Procurement Services Director's supervision.

2-100.4 COUNTY ADMINISTRATOR

The County Administrator may execute any contracts on behalf of Beaufort County subject to approval as to form by the County Attorney's Office. Furthermore, it shall be the County Administrator's duty to ensure that all County contracts comply with the requirements of Beaufort County Procurement Ordinance and this Policy Manual, as written by the Procurement Director and approved by the County Attorney and County Administrator.

The County Administrator has expressed authority over all procurements and the respective procurement processes outlined within these regulations and may at any time be specifically involved in the approval process for specific, part, or all procurements if desired.

2-100.5 DEPARTMENT DIRECTORS

The Department Director has the authority to approve purchases and make their own small purchases up to \$5,000. This authority may be increased upon a request through Procurement Services to the County Administrator or his designee(s) for prior approval.

The Department Director is responsible for their department to follow established policies and procedures for procurements set by the County. All purchases estimated to exceed \$50,000 must be coordinated with the County's Procurement Services Department before initiating purchasing actions. All purchases over \$5,000 must have an approved purchase order prior to purchasing the goods or services unless using the County P-Card or exempt in the Procurement Code. This may be done by departments in MUNIS by following the requisition process. Note that the County P-Card may not be used for services unless approved by the County Administrator or their designee. See the Beaufort County P-Card Manual for anything pertaining to allowed services.

The Department Director must also approve all sole-source/single-source, non-competitive purchase justifications for requirements exceeding \$5,000 prior to submission of the requisition to the Procurement Director for final approval. See Chapter 10 for the link for non-competitive forms addressing sole-source and single-source procurement requests.

2-100.6 COUNTY ATTORNEY'S OFFICE

The County Attorney's Office must review and approve all contracts and agreements as to form. Department Heads must ensure that all contracts and agreements are processed through Procurement Services and reviewed for approval by the Legal Department.

2-100.7 GENERAL PROCESSES AND REQUIREMENTS

Any technology purchase (i.e., laptops, tablets, etc.), even if under \$5,000, must be approved through the IT Department to ensure Beaufort County network consistency, compatibility, and maintenance. Departments shall put in a help desk ticket when requesting IT goods and services.

2-100.7.1 BONDS AND SURETY, CERTIFICATE OF INSURANCE AND CONTRACT REQUIREMENTS

2-100.7.2 BID SURETY

(a) Bid surety shall be required for all IFBs for construction contracts entered into under Section 2-523 of the Procurement Code. As applicable, payment, performance, or other bonds shall be provided by one or more surety companies meeting the criteria established by the Procurement

Services Director. Bid surety shall equal at least five percent of the bid unless a higher percentage is specified in the IFB. Any bid not complying with the bid surety requirements shall be rejected.

(b) When a contract to improve real property exceeding \$50,000 is awarded, the following bond surety shall be delivered to the Procurement Services Department within a reasonable time after the execution of the contract and shall be binding on the parties:

(1) A performance bond satisfactory to the County, executed by one or more surety companies meeting the criteria established in the IFB or otherwise secured in a manner satisfactory to the County, in an amount equal to 100% of the contract price; and

(2) A payment bond satisfactory to the County, executed by one or more surety companies meeting the criteria established in the IFB 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 equal to 100% of the contract price.

(3) Bonding requirements may be waived for any emergency procurement.

2-100.7.3 BID SURETY - GENERAL

Invitations for Bids for construction, labor, and public improvement contracts over \$50,000 that require Performance, Labor and Material (payment) bonds shall require the submission of bid surety in an amount equal to at least five percent (5%) of the bid at the time the bid is submitted. The Procurement Services Director may set bid surety requirements in an amount of not more than five percent (5%) of the contract amount for other types and dollar amounts of contracts if deemed necessary. The Procurement Services Director may determine it necessary to require bid surety on projects less than \$30,000 if it is determined that Performance, Labor, and Material (Payment) Bonds are necessary. If a bidder fails to accompany the bid with the required bid surety, the bid may be rejected as nonresponsive. When submitting a bid electronically, a copy of the check or Bid Bond may be attached to the electronic submission.

2-100.7.4 ACCEPTABLE BID SURETY

Acceptable bid surety shall be limited to:

- a) A one-time bid bond underwritten by a company licensed to issue bonds in the State of South Carolina.
- b) A bank cashier's check made payable to the Beaufort County Treasurer.
- c) A bank-certified check made payable to the Beaufort County Treasurer.

The bid surety is submitted as a guarantee that the bid will be maintained in full force and effect for a period of not less than sixty (60) days after the opening of the bids or as specified in the Invitation for Bids.

2-100.7.5 CONTRACT BONDS

For contracts over \$50,000, a separate performance bond, Labor and Materials Payment Bond, and Maintenance Bond may be required for all construction, labor, and public improvement contracts, each in the amount of one hundred percent (100%) of the contract price. The contractor shall deliver these bond(s) to the County within fourteen (14) calendar days after receipt of contract execution. If the contractor fails to deliver the required bond(s), the contractor's bid or contract may be rejected or terminated for default. The bond(s) must be submitted on bond form(s) prepared and executed by a Surety company. Maintenance Bonds are required for all contracts over \$50,000 (unless otherwise directed by the Procurement Services Director) and must be listed by the Department of Treasury (also known as a "T Surety") with an "A" minimum rating performance as stated in the most current publication of the Bests Key Rating Guide.

2-100.7.6 REVIEW OF BONDS/INSURANCE CERTIFICATES

All bonds shall be on bond forms prepared and executed by a surety company, including bonds required on solicitations/contracts less than \$50,000. All contract bonds or other sureties shall be reviewed with the contract by Procurement Services Staff for legal sufficiency. Deletions or additions to the bond terms by contractors or sureties shall not be permitted

2-100.7.7 INSURANCE REQUIREMENTS

Beaufort County may require such insurance as deemed necessary for the protection of the County, or as may be required by the County Code. When a contract requires contractor insurance, the insurance certificates shall be provided with the contract, including all exceptions and riders attached to the certificate, and shall be reviewed for legal sufficiency by the County Attorney's Office. All County contracts shall include a requirement for the provision of worker's compensation insurance. All contractors shall carry worker's compensation insurance. At a minimum, this insurance coverage shall be in the statutory amount. Independent contractors shall carry worker's compensation insurance to cover themselves and any employees or agents working, or who may work, under the County contract. Workers and contractors, subcontractors who are not protected by worker's compensation insurance shall not participate in a County contract.

Owners or corporate officers of firms without employees may sign a workers' compensation waiver for the contract file.

Beaufort County requires contracted vendors conducting business on County property to provide and maintain, throughout their performance under contract, a COI in the following minimum requirements:

- Prior to commencing work/delivery hereunder, contractor/vendor, at his expense, shall furnish insurance certification showing the certificate holder as Beaufort County, P.O. Drawer 1228, Beaufort, SC 29901, Attention: Risk Management Director, and with a special notation naming Beaufort County as an additional insured on the liability coverages. Minimum coverage shall be as follows:
 - Worker's Compensation Insurance – The Contractor shall have and maintain, during the life of this contract, Worker's Compensation Insurance for his or her employees connected to the work/delivery, in accordance with the Statutes of the State of South Carolina and any applicable laws. Employers Liability minimum limits required \$500,000.
 - Commercial General Liability Insurance – The Contractor shall have and maintain, during the life of this contract, Commercial General Liability Insurance. Said Commercial General Liability Policy shall contain Contractual Liability and Products/Completed Operations Liability subject to the following minimum limits: \$1,000,000 Each Occurrence/ \$2,000,000 General Aggregate and \$2,000,000 Products/Completed Operations Aggregate naming Beaufort County as an additional insured.
 - Comprehensive Automobile Liability Insurance – The Contractor shall have and maintain, during the life of this contract, Comprehensive Automobile Liability, including non-owned and hired vehicles, of at least \$500,000 COMBINED SINGLE LIMIT.
- ADDITIONAL INSURANCE REQUIREMENTS:
 - Umbrella Liability Insurance—The Contractor shall have and maintain umbrella liability insurance with a minimum limit of \$2,000,000 during the life of this contract.
- Professional Liability (Errors & Omissions) may be required by Risk Management. The department must check with Risk Management prior to requisition approval in MUNIS: Professional Liability Insurance protects against losses that occur when a "professional" error in judgment, planning, and design could result in economic loss to the entity or county. In order to determine if Professional Liability should be required, ask yourself: Is the professional licensed or certified (i.e., architects, consultants, auditors, attorneys, engineers, etc.)? Required if a contractor is

performing any type of design/build for a particular project. The vendor shall maintain a limit of no less than \$1,000,000 per occurrence:

- The required insurance policy at the time of issue must be written by a company licensed to do business in the State of South Carolina and be acceptable to the County.

For vendors requesting "additional insured" on certificates of insurance, please note that Article 10, Section 11 of the South Carolina Constitution prohibits pledging public credit on behalf of private interests. The Attorney General has advised that this Section prohibits the State Fiscal Accountability Authority (SFAA) from insuring any interest other than government entities. Therefore, we cannot add additional insureds to Beaufort County's Tort Liability Policy.

All Certificates of Insurance, whether contracted or not, should show "Beaufort County Council, PO Drawer 1228, Beaufort SC 29901" as the Certificate Holder. The name of the department is not the Certificate Holder. Coverage should be provided by an insurer that is rated "A" or better by A.M. Best.

In South Carolina, businesses with four (4) or more employees are required to have Workers' Compensation coverage. However, even businesses with fewer than four (4) employees are still liable for work-related injuries.

All departments must provide a copy of a valid up-to-date COI and Business License when required when filling out a requisition for processing. Department staff must provide a copy of the vendor's COI to Risk Management for approval and provide a copy of the approved COI as an attachment to the requisition before the purchase order may be approved for use by Purchasing. Department Heads must use the electronic approval form for COI approval by Risk Management and Purchasing.

All construction contractors must provide a Certificate of Insurance evidencing Automobile, General Liability, and Workers' Compensation coverage. Beaufort County requires vendors that provide service "on" Beaufort County property, and sometimes "for" Beaufort County, whether contracted or not, to have Workers' Compensation coverage in accordance with the South Carolina Statutory Limit. If a vendor does not have Workers' Compensation coverage, the vendor can provide a "Statement of Independent Contractor." The Statement should be used sparingly, but it is appropriate for a vendor who is not likely to have Workers' Compensation coverage (i.e., artist, yoga instructor). The Statement should be signed and dated before the work activity begins and the vendor should be in compliance with all seven (7) requirements delineated in the Statement. (Attachment 2; <http://bcweb/BCForms- Risk Management>).

Any item costing \$10,000 or more must have a Property Control Form (See Chapter 10 for the link) completed. Copies of this form must be submitted to Finance to add the item to inventory and to Risk Management to obtain insurance.

2-100.7.8 ADDITIONAL BONDING

If a surety on the contractor's bond or bonds becomes irresponsible at any time during the continuance of a contract, the County shall have the right to require additional and sufficient sureties that the contractor shall furnish within fourteen (14) calendar days after written notice to do so. Such a surety bond shall cover the entire contract amount, regardless of changes in the total contract amount. Failure of a contractor to provide additional surety shall be a default under the contract.

2-100.7.9 EXCEPTIONS

If it is deemed by the Procurement Services Director or designee to be in the County's best interest, the Procurement Services Director or designee may waive or reduce the dollar amounts of any bonds or insurance, except Worker's Compensation Insurance if the actual contract price is less than \$100,000. However, if the price of any construction, labor, or public improvement contract for

which the Procurement Services Director or designee has reduced or waived bonds should reach a value of \$100,000 or more through change orders or otherwise, then the contractor may be required to provide separate bonds each in the amount of one hundred percent (100%) of the new contract price, and additional insurance, as determined by the Procurement Services Director.

2-100.7.10 EXECUTION OF CONTRACTS

All County contracts shall be procured by initial provisions of the County Code and their regulations. No County contract shall be approved or executed unless and until the County Council has appropriated sufficient funds and are available for the contract. All contracts shall be written on the Beaufort County contract forms (no other company's contracts unless authorized by the Procurement Services Director or designee) and include provisions for termination in the event of non-appropriation of funds, for convenience, or for default. The County's Deputy Director of Procurement Services or designee shall maintain the original copy of all contracts.

2-100.7.11 LEGAL REVIEW OF CONTRACTS

All County contracts over \$50,000 and any other contracts determined necessary by the Procurement Services Director or designee must be reviewed as to legal form by the County Attorney's Office, except as may otherwise be provided in these regulations or by written agreement between the County Attorney and the Procurement Services Director or designee. County contracts shall utilize only those contract terms and standard forms, including purchase orders, which have been approved for use by the Procurement Services Director or designee unless the Procurement Services Director or designee and the County Attorney determine that an alternative term or form should be used (see 2-100.2). Legal must review all contracts. Fill out the Legal Review Request Form (see Chapter 10).

2-100.7.12 LEGAL NOTICE TO BIDDERS – REQUIRED CONTRACT PROVISIONS

All County Contracts shall contain the County appropriation of funds clause and shall contain a clause designating the law governing the contract as South Carolina Law. The venue and court jurisdiction for all legal actions shall be in the Courts of Beaufort County 14th District unless otherwise specifically required by Federal or State Law.

2-100.7.13 CONTRACT APPROVAL PROCESS

All Beaufort County contracts and agreements must be processed and approved through the Procurement Services Department. Procurement Services will send it to the County Attorney's Office for final review and approval. An exception is made for contracts/agreements for real property purchases, sales, or leases. All such real property contracts/agreements shall go directly through the County Attorney's office. Procurement Services will create any contract that comes from a solicitation. The contract is submitted to the County's Document Review System for review and approval by the Legal Department. Once the contract is approved by the legal department, Procurement Services will send the contract to the vendor for signature. The vendor will then send the signed contract back to Procurement Services, and it will then be forwarded to the County Administrator for execution. Once the contract is fully executed, Procurement Services will send the executed contract to the vendor and the using department. Please note that if the contract is for services that require bonds, Procurement Services will make that request of the vendor in the email that returns the executed contract. The executed contract and all associated documents will be placed in the project file. **The using department is responsible for the contract closeout report and notifying the Procurement Services Department of contract completion or renewal.**

2-100.7.14 CONTRACT TERMS

(a) *General Authority.* Subject to the limitations of this Section, any type of contract which is appropriate as determined by the Procurement Services Director and which will promote the best interests of the County may be used, provided that the use of a cost-plus-a-percentage-of-cost contract is prohibited. A cost reimbursement contract may be used only when a determination is

made in writing that such contract is likely to be less costly to the County than any other type or that it is impracticable to obtain the supply, service, or construction item required except under such a contract.

(b) *Multi-year Contracts; Specified Period.* A contract for supplies or services may be entered into for a period of time, including all renewals or extensions, not to exceed five years unless otherwise approved by the County Council, provided that the term of the contract and the conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds, therefore.

(c) *Void Contract Terms or Conditions.* Any term or condition in any contract entered into by the County that requires the County to defend, indemnify, or hold harmless another Person shall be void ab initio unless such term is expressly authorized by law. Any contract containing any terms or conditions inconsistent with the foregoing is otherwise enforceable as if it did not contain such terms or conditions.

(d) *Contract Audit.* The County shall be entitled to audit the books and records of a contractor or any subcontractor under any negotiated contract or subcontract other than a firm fixed price contract to the extent that such books and records relate to the performance of such contract or subcontract. The contractor shall maintain such books and records for a period of three years from the date of final payment under the prime contract and by the subcontractor for a period of three years from the date of final payment under the subcontract unless a shorter period is otherwise authorized in writing by the Procurement Services Director.

(e) *Gratuities and Kickbacks.* The prohibition against gratuities and kickbacks prescribed in Section 2-533 of this Division shall be conspicuously outlined in every contract and solicitation.

(f) *Standard Contract Clauses.* After consultation with the County Attorney, the Procurement Services Director may establish standard contract clauses for use in County contracts. If the Procurement Services Director establishes any standard clauses, such clauses may be varied provided that any variation and that notice of any such material variation be stated in the IFB or RFP.

2-100-7.15 CONTRACT RESPONSIBILITIES

2-100.7.15.1 CONTRACT RESPONSIBILITY BEFORE CONTRACT AWARD

2-100.7.15.2 DEPARTMENTS' RESPONSIBILITY

Once the recommendation for award is approved by the Committee and Council, it's the department staff's responsibility to send the Deputy Procurement Services Director or Senior Buyer a copy of the AIS (Agenda Item Summary) from the Committee Council meeting along with the meeting dates. The department staff will also send any pertinent backup information related to this solicitation/contract.

2-100.7.15.3 PROCUREMENT SERVICES DEPARTMENT RESPONSIBILITY

Once the AIS with the recommendation of award is approved by Legal, Committee, and County Council (if required), Procurement Services will start drafting the contract and submit the draft to Legal for approval. Upon approval, Procurement Services will send the contract to the vendor for signature and then to the County Administrator for execution. When the contract is fully executed it will be sent to the vendor for their records. Once the COI and if required, bonds are received from the vendor, Procurement Services will send the contract, COI, and bonds to the using department for their project file.

2-100.7.16 REQUISITION RESPONSIBILITIES FOR PURCHASE ORDERS AND AFTER CONTRACT AWARD

2-100.7.16.1 Departments' Responsibility

Department staff is responsible for entering requisitions for goods and services over \$5,000 into Munis. If the vendor is not in the system, the department staff will need to contact the vendor and request that they complete the New Vendor Packet and send a certificate of insurance if performing the work in Beaufort County. The Department will forward the completed vendor's VV-9 to the Finance Accounts Payable section and request a vendor number for use in Munis. The department must attach a copy of the price quote(s) to the requisition or contract, bid tab, award memo, and committee/County council agenda for backup in Munis before releasing the requisition for approval. If a change order is needed, the department must contact the Procurement Services Department and have the appropriate backup email listing the change order amount, the account number to use, and the total new purchase order amount.

When purchasing vehicles and equipment over \$5,000, you must contact the Fleet Manager for the procurement process, asset numbers, and registration coordination.

2-100.7.16.2 PROCUREMENT DEPARTMENT'S ROLES FOR REQUISITIONS AND PURCHASE ORDERS

Purchasing will review all requisitions for the proper backup information, including but not limited to the attached bid tab, quotes, signed contracts, state contract information, sole source forms and justification, and cooperative contracts. Once Purchasing approves the requisition under \$50,000, the requisition will be converted to a purchase order and emailed to the vendor and department. If over \$50,000, the requisition will be emailed in the workflow to the County Administrator, or his/her representative for approval. Once the County Administrator approves, the requisition will be converted to a purchase order and the department will email a copy of the purchase order to the vendor. If the department requests, the workflow will go to the vendor automatically. The department may select to contact the vendor directly.

The Procurement Services Department will review and approve all change order requests from Departments. Departments must attach the approved change order form to the requisition for the proper backup. Change orders may be made for up to 10% more than the original contract price in accordance with Section 2.525 (e) of the County's Code of Ordinance.

At the end of the fiscal year, some of the Department's purchase orders may need to be rolled over to the next fiscal year. **It is the Department's responsibility to include that amount in their budget.** The department must contact the Procurement Services Department for instructions on how to duplicate a new purchase order for the next fiscal year.

ADDITIONAL PROCUREMENT REQUIREMENTS:

No employee of the County shall obligate the County whereby said employee may derive income or benefits other than those provided as compensation from the County for their employment.

No contract, purchase, or group of requisitions shall be subdivided to avoid bid and quotation requirements. The restriction also applies to the delegated authority in number one (1) for purchasing goods and services not exceeding \$5,000.

It is unlawful for a Council member, Elected or Appointed Official, or employee to order the purchase of any goods or services or make any contract other than through the Procurement Services Director without prior written authority or as specifically delegated herein. Any purchase order or contract made contrary to the provisions hereof shall not be approved, and the County shall not be bound thereby.

An exception to the above policy may be made only in cases of an extreme emergency and with the understanding that the person authorizing the emergency order will contact the Procurement Director and follow the procedures stated in the Emergency Purchases section of the manual.

2-100.8 DOCUMENTATION JUSTIFICATION

Documentation requested by the Procurement Services Department is needed to meet the requirements set and determined by outside agencies and maintain the County's public trust and transparency policy when spending taxpayer monies. Any deficiencies in the required documentation will negatively reflect the County's ability to operate within set policies and procedures. This will also reflect negatively upon the department(s) responsible for causing the deficiency. It may also impede the County's ability to receive grants or any other financial assistance from outside government agencies. **Failure for the responsible Department Head and staff not to provide the required backup and justification for the procurement may result in disciplinary action being taken against the responsible county department employee.**

2-100.9 MINORITY BUSINESS ENTERPRISES

No provision is made in these regulations for preferences or set-asides for small and minority or women-owned businesses. However, it is Beaufort County's policy to make a good-faith effort to solicit and encourage small, minority, veteran, or women-owned business participation for County contracts. The County uses the State of South Carolina's Small/Disadvantaged Business Enterprise Program and SCDOT to encourage the utilization of small and/or disadvantaged businesses and subcontractors.

2-100.10 LOCAL BUSINESS PREFERENCES

A competitive procurement made by the county shall be made from responsive and responsible local vendors in the county for procurement if such bid does not exceed the lowest qualified bid from a nonlocal vendor by more than five percent or \$10,000.00, whichever is less than the lowest nonlocal bidder. The local vendor has the discretion to match the bid submitted by the nonlocal vendor and receive the contract award.

A vendor shall be deemed to be a "local vendor" if such vendor is an individual, partnership, association, or corporation that is authorized to transact business within the state, maintains an office in Beaufort County, has a business license of Beaufort County or one of the municipalities within Beaufort County, and maintains a representative inventory of commodities within Beaufort County or one of the municipalities on which the bid is submitted and has paid all taxes duly assessed.

If no bids are received from a Beaufort County Local Vendor, a vendor shall be deemed to be a "local vendor" if such vendor is an individual, partnership, association, or corporation that is authorized to transact business within the state, maintains an office in Jasper, Hampton, and Colleton Counties (local preference only applies if Jasper, Hampton and Colleton Counties offer reciprocity to Beaufort County). A competitive procurement made by the county shall be made from responsive and responsible resident vendors in the respective counties for procurement if such bid does not exceed the lowest qualified bid from a nonlocal vendor by more than five percent or \$10,000.00, whichever is less, the local vendor has the discretion to match the bid submitted by the nonlocal vendor and receive the contract award.

When purchasing from state or GSA contracts or other cooperative contracts, the county Procurement Services Department is allowed to purchase like item/items from a Beaufort County local vendor as long as the local vendor is willing to meet or beat the state or GSA contract pricing. In cases where two or more local vendors are involved, the Procurement Services Director or designee will determine the best method to use for a tiebreaker, either a coin toss or lottery drawing. When practical, a quotation will be solicited from other than the previous supplier before placing a repeat order.

2-100.11 FULL AND OPEN COMPETITION

The Procurement Services Department shall be responsible for ensuring the procurement of products, commodities, and services are in a manner that affords all responsible businesses a fair and equal opportunity to compete on a full and open competition basis without restricting qualified

bidders from participating.

2-100.12 SPECIFICATIONS

Using agencies and the Procurement Services Department shall issue product, supply, and service specifications that are not unduly restrictive. This may include using life cycle costing and/or value analysis to determine the lowest responsible bidder, provided the specifications indicate the procedure and evaluative factors to be used. Performance specifications may also be used, provided they include evaluative criteria to be used in making the award.

2-100.12.1 GENERAL PURPOSE AND POLICY

The purpose of a specification is to serve as a basis for obtaining a supply item or service adequate and suitable for the County's needs in a cost-effective manner, taking into account, to the extent practicable, the costs of ownership and operation and initial acquisition costs. It is the policy of the Procurement Services Department that specifications permit maximum practicable competition consistent with this purpose.

2-100.12.2 USE OF FUNCTIONAL OR PERFORMANCE DESCRIPTIONS

Specifications shall, to the extent practicable, emphasize functional or performance criteria while limiting design or other detailed physical descriptions to those necessary to meet the agency's needs.

2-100.12.3 PREFERENCE FOR COMMERCIALLY AVAILABLE PRODUCTS

Preference shall be given to procuring standard commercial products. Accepted commercial standards should be used in developing specifications, and unique requirements should be avoided.

2-100.12.4 BRAND NAME OR EQUAL SPECIFICATIONS – CONDITIONS FOR USE

(a) *Purpose.* The purpose of a specification is to serve as a basis for obtaining a supply, service, or construction item adequate and suitable for the extent practicable, the cost of ownership and operation, as well as the initial acquisition cost.

(b) *Policy.* It is the policy of the County that all specifications shall be drafted to assure cost effective procurement of the County's actual needs and shall not be unduly restrictive.

(c) *Brand Name or Equal Specification.* A Brand Name or Equal Specification may be used only when the Procurement Services Director determines in writing that the use of such a specification is in the County's best interests.

Brand name or equal specifications may be prepared when it is in the County's best interest and when the item to be procured is best described by the use of such a specification. Brand name or equal specifications shall seek to designate as many different brands as are practicable as "or equal" references. They shall further state those substantially equivalent products that will be considered for award.

2-100.12.5 BRAND NAME SPECIFICATIONS – CONDITIONS FOR USE

Since the use of a brand name specification is restrictive, it may be used only when the brand name or items will satisfy the using agency's needs or the item is to be used for resale purposes. The Procurement Services Director of designee shall seek to identify sources from which the designated brand name or item can be obtained and shall solicit such sources to achieve whatever degree of competition is practicable. If only one source can supply the requirement, the procurement shall be made under Section 3-502, Sole Source Procurement provisions.

2-100.12.6 QUALIFIED PRODUCTS LIST – CONDITIONS FOR USE

A qualified products list may be developed when testing or examination of the materials or equipment is required before the solicitation is issued.

2-100.12.7 SPECIFICATIONS PREPARED BY OTHER THAN COUNTY STAFF

All specifications prepared by other than County staff, including consultants, architects, engineers, and designers, shall not be restrictive but shall, to the extent practicable, allow for maximum competition.

2-100.13 ADEQUATE COMPETITION

The Procurement Services Department is responsible for ensuring that an adequate selection of bidders is solicited for every requirement to achieve optimum competition. This responsibility includes using other advertising methods or vehicles when sources may be limited and personally contacting potential bidders via phone, mail, or fax if deemed necessary.

For goods and services over \$5,000 to \$50,000, departments are required to request price quotes at minimum by the guidelines covered in section 3-400 Small Purchases. For procurements over \$50,000, departments must go through procurement services and conduct a market analysis of available vendors, including cost estimates and warranty and maintenance costs. The use of cooperative and state contracts is permitted and may be used as an additional method for cost analysis.

2-100.14 COMPETITION EXCEPTIONS

All purchases and contracts shall be procured competitively, either informally or formally, if the aggregate total is more than \$50,000 except for purchases or contracts made using the following exceptions in paragraphs a-r. The only exception is if the goods or services are procured from a state, GSA, or cooperative contract; competition is not required as part of the process. The applicable exceptions must be cited in the comments section of the purchase order or in a Non-competitive Purchase Request form, signed by the proper approving authority when applicable and attached to the requisition in Munis for audit purposes. The following supplies and services shall be exempt from the procurement procedures required in this manual; however, the Procurement Services Director, for just cause, may limit or withdraw any exemptions provided for in this section:

- a) When time is of the essence, purchases may be made off of another contract or agreement written by another State, County, or Federal Government agency for identical goods or services. The agreement or contract must be currently in use or active (including option periods) and have been formally completed by the State, County, or Federal Government agency.
- b) Purchases directly from Federal, State(s), County or other local government units.
- c) Purchases made off contracts awarded through a joint purchasing alliance such as the Innovations Group National Purchasing Alliance, Airport Purchasing Group Alliance, Sourcewell, Ominia, WSCA, US Communities, or NASPO, etc., of which the County is a member, and the contract was formally competed by the alliance or group. Procurements over \$150,000 must receive approval by the appropriate committee up to \$200,000. Procurements over \$200,000 must be approved by the council. See Chapter 10 for the Threshold Summary Sheet.
- d) Subscriptions for magazines, books, or periodicals. Published books, library books, maps, and technical pamphlets.
- e) Copyrighted educational films, filmstrips, slides, and transparencies.
- f) Works of art for museum and public display.
- g) Postage stamps and postal fees.
- h) Professional dues, membership fees, and seminar registration fees.
- i) Medicine and drugs only apply to DSN, Detention Center, Animal Control, or otherwise approved by Council.
- j) Utilities, including gas, electricity, water, and sewer.
- k) Purchases from nonprofit organizations if the price has been determined to be fair and reasonable.
- l) Training classes or instructors if the price is determined to be fair and reasonable. Any costs exceeding \$5,000 must be approved by the County Administrator.
- m) General or Subcontractors On-Call List up to \$100,000 per project.
- n) If the price is determined to be fair and reasonable and the vendor is on the approved On-Call

list.

- o) Unusual and compelling urgency precluding full and open competition and the delay in the award of a contract would result in serious injury, financial or other, to the County.
- p) Advertisements in appropriate publications. Advertisements in professional publications or newspapers.
- q) Obtaining professional legal services for trials, research, opinions, and testimony such as expert witnesses, trial consultants, case advisors, consultants, etc. The County Council, County Administrator, and Attorney's Office have determined that the need for such service is appropriate, and the cost is fair and reasonable. Legal services must be approved by the County Administrator or County Council.
- r) Other exceptions as approved by the Procurement Services Director. (See Section 3-502, Sole Source Procurement).

2-100.15 MINIMUM COMPETITION REQUIREMENTS

These minimum competition requirements apply to purchasing goods and services that are not exempted from competition under Section 2-100.14. Competition Exceptions are listed above. For further information on competition dollar thresholds, see Section 3-400, Small Purchases-Informal and Other Purchases.

2-100.16 WAIVER OF COMPETITION

The Procurement Services Director or designee may elect to waive the competitive bidding process under certain conditions, including

- a) A needed product or service that is available from only one supplier (sole source); this includes warranty and standardization requirements.
- b) A particular product is wanted for experiment or trial basis,
- c) Additional products are required to complete a current ongoing task,
- d) The amount of the purchase is too small to justify the expense of soliciting quotations (see Section 3-402 Competition Not Required), or
- e) Justified emergencies as defined in Section 3-500, Emergency Procurement.

The Procurement Services Department shall require competition wherever practicable, and except for small purchases, the basis and reasons for each waiver shall be documented as public record. If the requirement is estimated to be more than \$50,000, the waiver of competition (Non-competitive Purchase Request form) must be prepared by the Department Director and approved by the Procurement Services Director. (See Section 3-502, Sole Source Procurement.)

2-100.17 WRITTEN JUSTIFICATION

A Beaufort County Non-Competitive Purchase Form approved by the Procurement Services Director or designee must be attached to a requisition in Munis by a department representative for all Non-Competitive purchases. This justification shall completely explain the rationale used in determining "sole source/single source-non-competitive," as well as the determination that the awarded price is "Fair and Reasonable" using an element of price analysis justifying the total cost.

2-100.18 PURCHASE OF ITEMS SEPARATELY FROM THE CONSTRUCTION CONTRACT

The Procurement Services Director or designee and the using agency are authorized to determine whether a supply item or group of supply items shall be included in or procured separately from any construction contract.

2-100.19 DISPOSITION OF BID SURETY

Bid surety, if any, shall be returned to the bidder when the withdrawal of the bid is permitted, the contract is awarded to another firm, or the Invitation for Bid is canceled after opening. Normally bid sureties in the form of bonds will not be returned to unsuccessful bidders unless requested since they normally expire after the contract is awarded and become invalid automatically. Any checks from vendors not awarded a contract will be returned to the appropriate bidder after the award of a

contract.

2-100.20 ESTIMATED MAGNITUDES FOR SOLICITATIONS

Invitations for Bids (IFBs) and all associated notices to bidders or advertisements may contain an estimated project magnitude to inform potential bidders what the County anticipates the project to cost without releasing the actual project estimate. The magnitude is for informational purposes only and should be used by bidders as a guide to determine if they have the necessary bonding capacity and capabilities to perform a project within this magnitude. The following magnitude ranges shall be used for this purpose. NOTE: The Procurement Services Director or designee may establish other ranges not listed in order to accommodate project budgetary limits:

\$50,000 to \$100,000	\$1,500,000 to \$2,500,000
\$100,000 to \$250,000	\$2,500,000 to \$5,000,000
\$250,000 to \$500,000	\$5,000,000 to \$7,500,000
\$500,000 to \$750,000	\$7,500,000 to \$10,000,000
\$750,000 to \$1,000,000	\$10,000,000 to \$15,000,000
\$1,000,000 to \$1,500,000	

2-100.21 CONTRACT DURATION

The length or duration of contracts for goods or services may be written for a period up to but not to exceed five (5) years unless circumstances or conditions exist that are documented to be in the best interest of Beaufort County to enter into contracts for longer periods of time. Contracts requested over five years must have County Council approval. Each requirement will be closely reviewed by the Procurement Services Director or designee to determine the duration of the requirement to ensure the County will benefit from contracts with longer or shorter durations. The normal procedure for contracts that are longer than one (1) year in duration will be to write them on a yearly basis with an option to extend provisions that will be exercised at the sole discretion of the County each year. Contract renewals that are within budget do not require Committee or Council approval.

2-100.22 EXERCISING OPTION PERIODS

Contractors should be notified in writing of the County's intent to exercise an option period or not within the time period specified in the contract. If the contract is silent on the minimum time period for notifying the contractor, then the County should consider the minimum time for notification to be ninety (90) calendar days but preferably one hundred twenty days (120) days from the expiration date of the current contract period. Beaufort County will consider the following criteria before exercising or entering into an extension of a contract under an option provision:

- a) The Contractor has performed satisfactorily under the original contract term. Department Heads must send a request to Procurement Services to exercise the option period of the contract addressing items b-e below.
- b) Services are still required to be performed under the contract.
- c) Current market conditions have not changed significantly from the original contract. Therefore, the contractor's prices under the option period are still considered fair and reasonable.
- d) The scope of services has not significantly changed from the original contract. (If the scope of services has significantly changed, a re-bid of the contract is recommended.)
- e) Exercising the option period is considered the most advantageous method of fulfilling the County's needs, price, performance, and other factors considered.

2-100.23 BIDDING OPTION PERIODS

Beaufort County may require contractors to bid option periods in solicitations. If option periods are bid in solicitations, then they should be considered to some extent when evaluating the overall low bidder before making an award. If options periods are bid in solicitations, contractors will not be allowed to increase their prices when an option period is entered into unless there have been drastic economic changes that could not be realistically considered by the contractor when they

submitted their original bid. In such cases, the contractor must submit a proper justification of their proposed increase before entering into the option period. The Procurement Services Director or designee will then determine if the contractor's request is reasonable or if it is in the County's best interest to re-bid the requirement.

2-100.24 SOLICITATION TIME

Except as provided for under Section 3-400 Small Purchases – Informal and Other Purchases, and declared emergencies, the minimum time for solicitation of bids shall be a minimum of two weeks before the date designated in the solicitation for Invitation for Bids (IFB) for goods and services and 30 days for construction bids (calendar days) from the date the advertisement is posted on the County website. When extenuating circumstances exist, the Procurement Services Director or designee may lengthen or shorten the bid time, but in no case shall the time cycle be shortened if it will reduce, restrict, or limit full and open competition. Complicated procurements may have a longer period than the standard two weeks described in the Procurement Code. Requests for Proposals (RFPs) for services must allow a minimum of thirty (30) calendar days for response unless justification for shorter times is approved by the Procurement Services Director or designee for requirements over \$50,000.

2-100.25 REQUISITION PROCESS

1. The purchase requisition serves to inform the Procurement Services Department of the need of the department and to correctly define the material or service requested. The requisition is not an order; it is only a departmental request to be processed by Procurement Services when approved through the appropriate authority through the requisition workflow.
2. Purchases of \$5,000 and over shall be requested by entering a requisition and attaching all proper documentation in MUNIS. This requirement does not apply to legal fees paid by our Legal Department; requisitions are not required and are exempt. (For instructions on entering a requisition and approving a requisition, see Chapter 10.)
2. For all requisitions over \$5,000, departments must provide adequate documentation, which must include 3 written price quotes from qualified vendors, a copy of the current COI, and an appropriate business license (if providing service on County property). See Chapter 10 for more information.
3. How to Enter and Approve a Requisition See Chapter 10 for the appropriate links.

2-100.26 PURCHASE ORDER PROCESS:

Purchases over \$5,000 require a Purchase Order. All Purchase Orders will be converted when the requisition is fully approved, and all required backup documentation is attached. Examples of proper backup documentation include but are not limited to; COI, contract, quotes, Fair and Reasonable Justification form, market analysis completed for over \$50,000, business license (if applicable), AIS, and Cooperative/State contract number.

2-200 MISCELLANEOUS ADMINISTRATIVE MATTERS

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2-200.1 AUTHORIZED CONTRACTUAL ACTIONS

Per the Beaufort County Procurement Code and these regulations, the Department Heads and Elected or appointed officials are authorized to approve and sign contracts up to \$5,000 or less as long as the funds are available in their current FY budget. All contracts over \$5,000 must be reviewed and approved by Legal and Procurement Services before the contract is signed by both parties. The electronic legal review approval form is located on the County's SharePoint page under the forms section. All contracts and agreements must be processed through the Procurement Services Department, and if over \$5,000 must be processed through Procurement Services and

approved by Legal. For contracts and agreements under \$50,000, the Procurement Services Director or designee or CFO may approve the contract/agreement as long as funds are available in the current fiscal budget. All contracts over \$50,000 must be processed through Procurement Services, reviewed by Legal, and signed by the County Administrator, their designee, or the appropriate official.

Exceptions may apply if the County Administrator specifically authorized or delegated to other individuals, divisions, or departments either by these regulations or in writing by the County Administrator.

2-200.1.1 UNAUTHORIZED COMMITMENTS OR CONTRACTUAL ACTIONS

Unauthorized commitments or contractual actions by individuals without expressed authority or approval by the County Administrator or Procurement Services Director or designee may be subject to appropriate disciplinary action under the County's Policies and Procedures Manual (PPM). A few examples of unauthorized contractual acts are as follows:

- a) Ordering, receiving, and acceptance of goods or services in excess of \$5,000 without an approved contract or purchase order.
- b) Directing a contractor to proceed with work without a fully executed contract, COI, or purchase order. A fully executed contract is an agreement signed by the contractor and the proper contract authority of the County, clearly describing the goods or services being contracted for and to what extent financially the County is obligated.
- c) Directing a change order to an existing contract without ascertaining the availability of funds or obtaining approval that the change is within the scope of the contract, if applicable. See Section 2-200.4 Change Orders and Changes in Scope of Contract and the Finance and Purchasing Policy Manual.
- d) Any contractual obligation made by an individual, division, or department that obligates Beaufort County to another party without sufficient funds to cover the obligation. See Section 2-200.2 Sufficiency of Funds.
- e) Splitting purchases that exceed \$5,000 into distinctly different purchase orders to circumvent the County's competition requirements or to avoid obtaining proper contract approval.
- f) Any employee, staff member, or Department Head terminating a contract without authorization.

2-200.2 SUFFICIENCY OF FUNDS

Except in cases of a declared emergency, the Procurement Services Director or designee shall not issue any order for delivery on an existing contract or proceed with an open market purchase until the appropriate group or department head certifies that there are sufficient funds available within the department's budget in excess of all unpaid obligations, to defray the cost of the contract or open market purchase. The department head should contact the Budget Manager/CFO for budget verification if they are unsure of the correct balance. The department head must provide an approved budget confirmation form to Procurement Services before the solicitation process begins. See Chapter 10 for the form link.

2-200.3 CONTRACTOR EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS

Beaufort County is committed to equal employment opportunity for all and maintains and implements equal opportunity and affirmative action where necessary in all of its daily operations. The County's policy is that no person shall be discriminated against because of race, color, national origin or ancestry, sex, age, religious convictions, veteran status, disability, or political beliefs. Contractors shall comply with all federal and state nondiscrimination laws and have an equal employment opportunity policy. Contractors shall also comply with Beaufort County's Equal Employment Opportunity/Affirmative Action policies regarding nondiscrimination and harassment, including sexual harassment, in the conduct of their business while on County property and/or interacting with County employees. Contractors will cooperate with Beaufort County in using the contractor's best

efforts to ensure the Disadvantaged Business Enterprises (DBE –see Division 4 of the Procurement code for DBE definition) are afforded the full opportunity to compete for subcontracts or work under any Beaufort County contracts.

2-200.4 CHANGE ORDERS AND CHANGES IN SCOPE OF CONTRACT

The County may make written changes to the plans, specifications, scheduling, and performance period of a contract as long as the change is determined to be within the original scope of the contract. Any change order that exceeds ten percent (10%) of the original cost of the contract (aggregate or single), shall be justified in writing by the Department Head and ACA of the department responsible for contract/project administration and approved by the Procurement Services Director or designee and CFO (or representative), to be within the original scope of the contract before issuance of the change order to the contractor. This requirement does not apply to change orders issued as a mechanism to implement or exercise options contained within the contract (i.e., exercising the option to extend the contract term if the contract contains an option to extend language). If the contract cost exceeds 10% of the original department's approved budget by the council and exceeds the county administrator's approval authority dollar threshold, the appropriate department head and ACA must request in writing approval from the Budget Manager and CFO. Once approved, the Budget Manager & CFO must receive approval for the budget amendment from the appropriate committee or council. Additionally, the Budget amendment requires three readings from the council and an ordinance supporting the Budget amendment request.

See Chapter 10 for Change Order Request form link.

2-200.5 CONFLICTS OF INTEREST

Per any applicable prohibitions listed in the County's Policies and Procedures Manual, any County employee who is involved in negotiating, approving, disapproving, administering, enforcing, or recommending for or against a contract, purchase order, lease, concession, franchise, grant, vendor, concessionaire, land use or any other matter to which the County is a party is considered by definition a "Direct Official" and is strictly prohibited from accepting gifts or gratuities, regardless of value, from vendors, subcontractors, concessionaires, or contractors that could be considered a bribe or means of improper influence or could be perceived to influence objectivity when interacting with or conducting business for or on behalf of the County.

Beaufort County contracts or purchase orders will not be awarded to consultants, engineers, architects, or other professionals, for contract administration services that allow contractual and financial authority and responsibility for oversight, including change order and payment approval, if they were either paid or otherwise were directly involved in design or specification preparation of the subject project by the County, without approval by the Procurement Services Director. In no event shall the consultant or contractor be granted authority for conducting the bidding process, approving change orders or obligating the County financially on the contract for which they are providing oversight or design services.

Furthermore, a contractor or any affiliated firm of that contractor is not allowed to bid or propose on contracts in which they are being paid or volunteer their services for either contract oversight, development of scope of work/specifications, or design without written consent or approval from the Procurement Services Director.

The County will not entertain or accept a bid or proposal, and in no event will a contract or purchase order be awarded to a former County employee meeting the definition of a Direct Official for a minimum period of one (1) year from their separation date from Beaufort County.

2-200.6 PROHIBITED EMPLOYEE PARTICIPATION

An Employee is prohibited from participating directly or indirectly in any procurement process while said Employee is also an employee of an entity contracting with the County. An Employee is prohibited from any unethical participation or action including, but not limited to, S.C. Code of Laws

Ann. Title 8, Chapter 13, Public Officers and Employees as it applies.

CHAPTER 3 - METHODS OF SOURCE SELECTION AND PROCESSES

3-100 METHODS OF SOURCE SELECTION (Continued).

Unless otherwise provided by the County's Procurement Code, all County contracts must be awarded by an IFB (pursuant to Section 3-101) or Request for Proposals (pursuant to Section 3-300), except as provided in:

1. Section 3-300 – Request for Proposals
2. Section 3-319 – Request for Qualifications
3. Section 3-320 – Reverse Auction
4. Section 3-400 – Small Purchases
5. Section 3-500 – Emergency Procurement
6. Section 3-502 – Sole Source Procurement
7. Section 3-700 – Pre-Qualification

3-101 COMPETITIVE SEALED BIDDING – (INVITATION FOR BIDS) FOR EQUIPMENT, SUPPLIES, MATERIALS, SERVICES & CONSTRUCTION (FORMAL PROCESS)

3-101.1 APPLICABILITY

All acquisitions for supplies, equipment, materials, services, and construction that are estimated to exceed \$50,000 shall be processed formally using Competitive Sealed Bid procedures contained herein, Section 3-100, unless the acquisition is otherwise documented to use other formal methods as described in Section 3-200 Two-Step Sealed Bidding, Section 3-300 Requests for Proposals, or has been determined by written justification to be exempt from formal competition for reasons allowed by these regulations. Sealed competitive bids may be used to acquire any goods, services, or construction regardless of dollar amount if the Procurement Services Director or designee determines it to be the most appropriate method of procurement. Sealed competitive bids shall be awarded to the lowest responsive and responsible bidder and must adhere to the contract law principles of the "Firm Bid Rule." **Note-this does not apply to bidders who are qualified under the On-Call Vendor list for goods and services RFQ for projects under \$100,000. The approved registries for goods and services may be found on the Procurement Services SharePoint page (see Chapter 10 for the link).** The County will negotiate a fair and reasonable price for the goods and services.

3-101.2 INVITATION FOR BIDS (IFBs) – SEALED COMPETITIVE BIDS

Departments must contact Procurement Services for all solicitations and provide an approved budget form for each bid/project. Procurement Services staff will work with the responsible department staff to create all bid documents and publish on the county website and will handle the required advertising for the bid. The statement of work or specifications of the Invitation for Bids is critical for the success of the procurement since the award using sealed bidding must be made without negotiations unless only one bid was received. Basic considerations include the contractual terms and conditions that must be written to protect the interest of the County, openness of specifications, transportation and delivery requirements, and instructions on how the bidder is to submit the proposal. A solicitation should seek full and open competition for all purchases and provide fair and equal opportunity for all qualified persons or firms to compete. Invitation for Bids (IFBs) is preferred when the required scope of work or specifications for goods or services is known.

3-101.3 INVITATION FOR BIDS - CONTENT

The Invitation for Bids shall include the following:

- a) Instructions and information to bidders concerning the bid submission requirements (furnished by the Procurement Services Department), including the time and closing date;
- b) The project description (furnished by the requesting Department/Division), the basis of award,

- delivery, or performance schedule and inspection and acceptance requirements; and
- c) Contract terms and conditions, including warranty and bonding or surety requirements as applicable.

3-101.4 BIDDER SUBMISSIONS – SCHEDULE OF VALUES

The Invitation for Bid shall provide a form that shall include space(s) in which the bid price(s) shall be inserted and that the bidder shall sign and submit along with all other necessary submissions.

3-101.5 MULTIPLE OR ALTERNATE BIDS

The solicitation shall prohibit multiple or alternate bids unless such bids are specifically provided for in the Invitation for Bid. Alternate bids for this provision are defined as bids that are received in response to an IFB that were not requested in the bid schedule or bids that offer alternate pricing to be considered when the County's Invitation for Bid does not ask for alternate solutions or pricing from bidders. When prohibited, the multiple or alternate bids shall be rejected, and a clearly indicated base bid will be considered for award as though it were the only bid or offer submitted by the bidder.

3-101.6 INVITATION FOR BIDS (IFB)

(a) *Notice of Invitation for Bids.* An Invitation for Bids shall include (or state where such information is to be made available) a project or purchase description and all contractual terms and conditions applicable to the procurement. At least two weeks before the date designated in the IFB for the opening of bids, the IFB bid tabulation will be made available in the County's e-procurement system.

(b) *Receipt and Opening of Bids; Electronic Submittal Requirements.* Bids will only be received electronically and must be submitted online prior to the date and time listed in the IFB. Bids shall be received in an online 'lockbox' folder and not be opened before the due date and time listed in the IFB. Bids will be opened in a transparent manner, and the amount of each bid and such other relevant information as may be deemed appropriate by the Procurement Services Director, together with the name of each bidder, shall be tabulated by the Procurement Services Director or designated procurement staff. The bid tab will be available for all bidders once approved by the Procurement Services Director or the designated procurement staff.

(c) *Bid Acceptance and Bid Evaluation.* Subject to the County's right to not accept any bid, the selected bid shall be accepted unconditionally without alteration or correction, except as otherwise authorized in these Procedures or by the Procurement Services Director or designee. The IFB shall set forth the criteria to be used. No criteria may be used in bid evaluation that is not outlined in the IFB or addenda to such bids. Bids shall be evaluated to ensure that submitted bids are responsive to the requirements outlined in the solicitation. For additional information see section 3-104.

(d) *Correction or Withdrawal of Bids or Proposals, Cancellation of Awards.* Correction or withdrawal of inadvertently erroneous bids or proposals before or after award, or cancellation and re-award of awards or contracts, after award but before performance, may be permitted by the solicitation when it is for good cause and in the best interests of the County, provided, however, after bid or proposal opening, changes in prices or other provisions of solicitations prejudicial to the interest of the County or fair competition must not be permitted. The reasons for cancellation, withdrawal, or correction shall be made part of the project file and notice of cancellation shall be sent to all businesses solicited. The notice shall identify the solicitation, explain the reason for cancellation, and, where appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurements of similar items.

(e) *Award.* If an award is to be made, the contract shall be awarded by written notice to the lowest responsible/responsive bidder. In the event two or more bidders are tied in price while otherwise meeting all the required conditions, an award shall be made to the bidder who is determined in the discretion of the Procurement Services Director or designee to be the most responsive, responsible, and qualified for the project described in the IFB.

(f) *Right of Rejection and Re-solicitation.* The Procurement Services Director or designee has the right, before the contract award, to reject any and all bids for cause or without cause as he or she deems appropriate. The County has the right to determine not to award the contract to any bidder or to re-solicit bids based upon modified terms and conditions.

3-101.7 RECEIPT OF BIDS

Upon receipt, each bid shall be electronically accepted by the County's e-procurement system and stored within the system until bid opening time.

3-101.8 OPENING AND RECORDING OF BIDS

A member of the Procurement Services Department, in the presence of one or more witnesses, shall open the bids at the time designated in the Invitation for Bids. The e-procurement system will serve to be the official time clock when calling time for bids. The name of the bidder and their bid price shall be made available to the public in the form of a bid tabulation. This will be publicly posted within the e-procurement system once all submitted bids are evaluated for acceptability. Rejected bids will not be included in the bid tabulation. Submitted bid packages will be available to the public through a FOIA request. Information in the bid packages that are deemed to be personal, confidential, proprietary, trade secrets, or other information protected under the Open Records Act will not be available for public inspection.

3-101.9 ONE BID RECEIVED

If only one responsive bid is received in response to the Invitation for Bids, an award may be made to the single contractor if the Procurement Services Director or designee finds that the price(s) submitted is fair and reasonable and that all other prospective bidders had reasonable time to respond, or there is not adequate time for re-solicitation; otherwise, the bid may be rejected, and:

- a) New bids may be solicited.
- b) The proposed procurement may be canceled; or
- c) If the Procurement Services Director or designee and Department Head determine that the price of the one bid is not fair and reasonable and that re-solicitation would likely be futile, negotiations may be entered into with the lone bidder.

3-102 EXTENSION OF TIME FOR BID OR PROPOSAL ACCEPTANCE

After the opening of bids, the Procurement Services Director or designee may request low bidder(s) to extend the time during which the County may accept their bids, provided that no other change is permitted. The reasons for requesting such extensions shall be documented. Unless otherwise specified, vendors must honor their bid/offer for ninety (90) days from the closing date.

3-103 REJECTION OF BIDS

The Procurement Services Director or designee has the authority to reject any bid based on, but not limited to, the following:

- a) Any bid that fails to conform to the essential requirements of the Invitation for Bids shall be rejected.
- b) Any bid that does not conform to the applicable specifications shall be rejected unless the Invitation for Bid specifically authorizes the submission of alternate bids or deviations.
- c) Any bid that fails to conform to the specified delivery schedule.
- d) A bid shall be rejected when the bidder imposes conditions that would modify the requirements of the invitation or limit the bidder's liability to Beaufort County since to allow the bidder to condition their bid would be prejudicial to other bidders. For example, bids shall be rejected in which the bidder:
 1. Protects against future changes in conditions, such as increased costs, if total cost to the County cannot be determined by bid. This would include failure to completely fill out the required bid schedule.
 2. Fails to state price and indicates that price shall be "price in effect at the time of delivery or

award.”

3. States a price but qualifies it as being subject to change.
 4. When the invitation does not authorize it, the bidder conditions or qualifies a bid by stipulating their own terms and conditions, including additional prices not required by the solicitation or stipulating a product that has not been approved by the solicitation.
- e) Any bid in which the price is considered unreasonable or over budget.
 - f) Any bid if the prices are determined to be unbalanced.
 - g) Bids received from any person or contractor that is suspended, debarred, proposed for debarment, or under investigation for fraud, including failure to pay Federal, State, or County taxes.
 - h) When a bid guarantee is required, and the bidder fails to furnish the guarantee in accordance with the requirements of the invitation.
 - i) Low bids received from bidders determined to be non-responsive.
 - j) Any bid that was prepared and submitted by a vendor who has been determined by the Procurement Director to have an unfair advantage over the other bidders. Examples of an unfair advantage include, but are not limited to, the following:
 1. A previous or prior employee who, in the last twelve (12) months, was directly involved in the design or specification preparation of the completed procurement.
 2. A vendor who was directly involved in the design or specification preparation of the completed project either for pay or voluntarily; or has staff who has participated unless otherwise specified.

3-103.1 NOTICE TO VENDOR CONCERNING REJECTED BIDS

The Procurement Services Director or designee shall notify any bidder whose bid has been rejected in writing, explaining why their bid has been rejected and documenting the file accordingly.

3-104 BID EVALUATION

All products or services shall be evaluated against the requirements stated in the County's solicitation. In addition to price, the following factors may be considered in evaluating any bid response: delivery date after receipt of order, cash discounts, warranties (type/length), future availability, results of product testing, local service, cost of maintenance agreements, future trade-in value or availability of re-purchase agreement, availability of training courses, financial terms, space limitations, aesthetics, adaptability to environment, cost of operation (if any), safety and health features relating to regulatory codes or requirements.

3-104.1 BID EVALUATION – PRODUCT ACCEPTABILITY

The Invitation for Bids may require the submission of bid samples, descriptive literature, technical data, or other material necessary to determine product acceptability. The acceptability evaluation is not conducted for the purpose of determining whether one bidder's item is superior to another, but only to determine whether a bidder's offering will meet the County's needs as outlined in the invitation. Any bidder's offering that does not meet acceptability requirements will be rejected as non-responsive.

3-105 AWARDS USING SEALED BIDDING

- a) The contract shall be awarded to the lowest responsive and responsible bidder whose bid meets the requirements and the criterion outlined in the Invitation for Bids and is determined to be in the County's best interest. Negotiations are prohibited when using sealed bidding unless only one bid was received. The Procurement Services Director or designee may determine to make whole or partial awards or may reject all bids if prices are determined to be unreasonably high or unrealistically low. If insufficient funds are available to award a contract, the solicitation may be canceled, or the Procurement Services Director or designee may choose to re-scope the project and re-solicit bids as may be determined to be in the best interest of the County.

- b) In cases where Beaufort County is restricted by a budgetary control amount for the specified project(s), the County may include language in solicitations that allows for the budgetary control amount to be announced before opening bids and then use that number to determine the apparent low bidder. This will be accomplished by deducting alternates from the base bid. Each deducted item will be listed in the bid schedule and must be completed by each bidder. If all bidders exceed the budgetary control amount for the base bid, then the opening official will announce the first deduct item from each bid and subtract it from the base bid. If a bidder or bidders are under the budgetary control amount after the first deduct, the award will go to the lowest responsible bidder for the base bid less the deduct. This process will continue when using this method until such time all deducts are read or until a bidder is under the budgetary control amount. The process shall be explained within the Invitation for Bid when this method is used.
- c) **ADD ALTERNATES** – In some cases, it may be determined that adding an alternate method may be more advantageous to include in the bid schedule. The County's preferred method is to use deductive items under a competitive scenario as described in Section 3-105 Awards Using Sealed Bidding of this provision; however, if determined appropriate, add alternates may be used if it is determined beneficial, and the solicitation describes how the add alternates will be considered in determining how the contract will be awarded.

3-106 LOW BID TIE

Tie bids are low-responsive bids from responsible bidders that are identical in price, and which meet all the requirements and criteria outlined in the Invitation for Bids. At the discretion of the Procurement Services Director or designee, the award shall be made, if possible, by methods including split orders, rotations, or, if not possible, to make split or rotational awards, then drawing of lots or flipping of a coin will be used to determine the award. If a local vendor is involved in a tie bid, an award shall be made by the Procurement Code, Section 2-100.10, Local Business Preferences.

3-107 TELEPHONE BIDS AND ELECTRONIC BIDDING

Telephone bids will not be accepted in formal solicitations. For small purchases under \$50,000, telephone quotes must be backed up by written email quotes or copies of text messages confirming the quotes, or unless the Procurement Services Director or designee or County Department shall make written determination that market conditions are of such a nature that it is in the best interest of the County to solicit telephone bids, such as the purchase of petroleum fuels daily, under changing market conditions, or under solicitations during a declared emergency, otherwise bids are only accepted through the County's e-procurement System.

3-108 FACSIMILE BIDS

Facsimile transmissions of bids to the Procurement Services Department will not be accepted in the formal competitive sealed bid process unless the Invitation for Bids specifically allows them. Facsimile quotes are acceptable for small purchases under \$50,000.

3-109 VENDOR REGISTRATION AND E-PROCUREMENT REQUIREMENTS FOR BIDS

To do business with the County, vendors must register with the Procurement Services Department through our e-procurement system powered by the County's e-procurement system. The County may reject any quotes, bids, proposals, and qualifications submitted by businesses that are not registered. Registration is free for vendors. See Chapter 10 for more information.

3-110 MINOR INFORMALITIES/IRREGULARITIES IN BIDS

A minor informality or irregularity is merely a matter of form and not of substance. It also pertains to some immaterial defect in a bid or variation of a bid from the exact requirements of the invitation that can be corrected or waived without being prejudicial to other bidders. The defect or variation is considered immaterial when the effect on price, quantity, quality, or delivery is negligible when

contrasted with the total cost or scope of the services being acquired. If the Procurement Services Director determines that the bid submitted contains a minor informality or irregularity, then either he/she shall allow the bidder to cure any deficiency resulting from a minor informality or irregularity in a bid or waive the deficiency, whichever is to the advantage of the County. In no event will the bidder be allowed to change the bid pricing for the solicitation. Examples of minor informalities or irregularities include, but are not limited to, the following:

- a) Bidder fails to sign the bid, but only if the unsigned bid is accompanied by other material evidence that indicates the bidder's intention to be bound by the unsigned bid (such as a bid bond or signed cover letter that references the bid number or title, and amount of bid).
- b) Bidder fails to acknowledge an amendment. This may be considered a minor informality only if the amendment that was not acknowledged is insignificant and involves only a matter of form or has either no effect or merely a negligible effect on the price, quantity, quality, or delivery of the item or services bid upon.

3-111 LATE BIDS

Any bid, withdrawal, or modification to bids received after the time and date set for opening is not available in the e-procurement system. The system will not allow it. The Procurement Services Director may permit the following exceptions:

- a) In the event of a public labor unrest (strike, work slow-down, etc.) or e-procurement system outage, the Procurement Services Director or designee may develop and issue emergency procedures.
- b) The Procurement Services Director or designee shall rule on any other situation beyond the control of the County and the vendor regarding the acceptability of the bid.

3-112 PUBLIC NOTICE - ADVERTISEMENT

Invitations for Bids or notices of the availability of Invitations for Bids shall be posted on the County website, e-procurement system, or otherwise furnished to a sufficient number of prospective bidders to secure adequate competition. For formal bids over \$50,000, public notices may be published in a newspaper of general circulation and/or in as many trade publications and secondary newspapers in conjunction with the County's website to ensure competition is maximized at least two weeks/ calendar days before the date for bid opening, except as outlined in Section 3-112.1 Waiver of Public Notice - Advertisement, Section 3-400.2 Competition not Required, and Section 3-500 Emergency Procurement.

3-112.1 WAIVER OF PUBLIC NOTICE - ADVERTISEMENT

The Procurement Services Director or designee or the County Administrator may authorize the waiver of public notice for requirements in excess of \$50,000 upon written determination that circumstances call for quick procurement action under emergency procurement procedures. Supplies or equipment may be needed promptly for backup to ensure against downtime; a significant price increase on a needed item may be imminent; the scope of an ongoing task may be unexpectedly expanded. In these types of situations, the Procurement Services Director or designee will make a special effort to obtain written competition or sealed bids but may waive the public notice.

3-113 PUBLIC AVAILABILITY

A copy of the Invitation for Bids shall be made available for public inspection on the County's e-procurement system.

3-114 PRE-BID CONFERENCES

Pre-bid conferences may be conducted for the purpose of explaining the procurement requirements. They shall be announced to all prospective bidders who have received the Invitation for Bids. The conference should be held long enough after the invitation has been issued to allow bidders to become familiar with it, but with adequate time before the bid opening to allow

consideration of the conference results in preparing the bid. The pre-bid conferences may be mandatory if determined necessary to ensure familiarity with the project prior to bidding by all bidders. If the conference is determined to be mandatory, the Procurement Services Director or designee may consider more than one date to ensure adequate competition is obtained. Nothing stated at such conference shall change the Invitation for Bids unless the change is made by written amendment.

3-115 ADDENDA/AMENDMENTS TO INVITATIONS FOR BIDS

Amendments to Invitations for Bids shall be identified as such and will require that the bidder acknowledge receipt of all amendments issued. The amendment shall reference the portions of the invitation it amends. Amendments shall be sent to all prospective bidders known to have received an Invitation for Bids as well as made available and posted on the e-procurement system. Amendments shall be distributed within a reasonable time to allow prospective bidders to consider them in preparing their bids. If the time set for bid opening will not permit such preparation, to the extent possible, the bid preparation time shall be increased in the amendment, by posting the change on the County's e-procurement system. Questions received by prospective bidders concerning the Invitation for Bid, both technical and contractual in nature, will be answered in the form of an amendment to allow all potential bidders to share the same information. The Procurement Services Department or designee shall issue all amendments, which will be posted in the County's e-procurement system.

3-115.1 DISTRIBUTION

Addenda/Amendments shall be sent to all prospective bidders who have received an Invitation for Bids and posted on the County's e-procurement System electronic distribution (downloading). Regardless of the distribution, it is still the bidder's responsibility to ensure they have received all previously issued addenda/amendments before submitting their bid.

3-116 CONFIDENTIAL DATA

The Procurement Services Director or designated procurement staff shall examine all bids to determine the validity of any requests for nondisclosure of trade secrets or other proprietary data identified in writing. Before the bid opening, the bidder shall submit such requests under separate cover. If the parties do not agree as to the disclosure of data, the Procurement Services Director or designee shall inform the bidder in writing what portions of the bid will be disclosed and that unless the bidder protests by Section 4-100 Protested Solicitations of these regulations, the bids will be so disclosed.

3-117 MISTAKES IN BIDS – CONFIRMATION OF BID

When it appears from a review of the bid that a mistake has been made, the Procurement Services Department shall be responsible for requesting the bidder to confirm their bid in writing. Situations in which the confirmation should or may be requested include obvious, apparent errors on the face of the bid or a bid unreasonably lower than the other bids submitted. If the bidder alleges a mistake, the bid may be withdrawn only if the provisions of Section 3-101.6 (d) Withdrawal of Bid after Opening but before Award are followed.

Bidders may request in writing to the Procurement Services Director or designee that they be allowed to correct a mistake in their bid; however, the mistake has to be apparent and substantiated by evidence provided by the bidder that the mistake was valid. The Procurement Services Director or designee shall request the contractor to support the alleged mistake by submitting written statements and pertinent evidence such as, but not limited to contractor's file copy of the bid, the contractor's original worksheets including supporting data used to prepare the bid, the subcontractor or supplier quotes, and any other evidence that will serve to establish the mistake, how the mistake occurred, and the bid actually intended. The evidence provided has to prove without a doubt that a mistake was indeed made. If there is insufficient evidence to support the alleged mistake, then the mistake will not be allowed to be corrected.

The Procurement Services Director or designee will evaluate the request and decide in writing whether or not to allow the correction of the mistake.

NOTE: In no event will bidders be allowed to make changes to submissions other than apparent typographical errors if their requested correction would displace another bidder.

3-117.1 MISTAKES WHERE INTENDED CORRECT BID IS EVIDENT

If the mistake and the intended correct bid are clearly evident to the Procurement Services Director or designee on the face of the bid document, the bid shall be corrected and may not be withdrawn. Examples include typographical errors, obvious errors in extending unit prices, and transposition errors.

3-117.2 MISTAKES WHERE INTENDED CORRECT BID IS NOT EVIDENT TO THE PROCUREMENT DIRECTOR

A bidder may be permitted to withdraw a bid at the discretion of the Procurement Services Director or designee if the bidder submits proof of evidentiary value in accordance with provisions of Section 3-101.6. (d) Withdrawal of Bid after Opening but Before Award.

3-117.3 MISTAKES DISCOVERED BEFORE OPENING

A bidder may correct mistakes discovered before bid opening by withdrawing and/or correcting the bid and resubmitting through the County's e-procurement system.

3-117.4 DETERMINATION REQUIRED

Any decision to permit or deny correction or withdrawal of a bid under this section shall be supported by a written determination by the Procurement Services Director or the written designee.

3-117.5 MISTAKES AFTER AWARD OF CONTRACT

When a mistake in a contractor's bid is not discovered until after the contract award, the mistake may be corrected by contract change order if correcting the mistake would be favorable to the County without changing the specifications. If the mistake is not in the favor of the County, the Procurement Services Director or designee will have the following options:

- a) To rescind the contract via termination.
- b) Deny the contractor's request to correct the mistake, or
- c) To reform the contract by the following actions:
 - 1. Delete the item(s) involved in the mistake.
 - 2. To increase the contract's price by allowing the correction of the mistake, as long as the correction or increase in price does not exceed the price of the next lowest bidder. **Note: Partial corrections will not be allowed in order to stay below the next lowest bidder's price.**

In all cases, the burden of proof rests with the contractor. The alleged mistake must be proven by clear and convincing evidence that a mistake was indeed made. The Procurement Services Director or designee shall request the contractor to support the alleged mistake by submitting written statements and pertinent evidence such as, but not limited to: the contractor's file copy of the bid, the contractor's original worksheets (including supporting data used to prepare bid), subcontractor or supplier quotes, and any other evidence that will serve to establish the mistake, the manner in which the mistake occurred, and the bid actually intended. No action will be taken if no clear and convincing evidence supports the alleged mistake.

3-200 TWO-STEP SEALED BIDDING

Two-step sealed bidding is a two-step process consisting of a technical phase, composed of one or more steps in which offerors are required to submit unpriced technical offers to be evaluated by the County, and a pricing phase in which those bidders whose technical offers are determined to be

acceptable during the technical phase have their price considered. It is designed to obtain the benefit of competitive sealed bidding by the award of a contract to the lowest responsive, responsible offeror, and at the same time, obtain the benefits of the competitive sealed proposals procedure through the solicitation of technical offers and the conduct of discussions to determine the acceptability of technical offers.

3-201 CONDITIONS FOR USE

The two-step sealed bidding method may be used when it is not practical to prepare initially a definitive purchase or contract description that will be suitable to permit an award based on price alone.

3-202 PROCEDURE FOR PHASE ONE OF TWO-STEP SEALED BIDS

Two-step sealed bids must be initiated by issuing an Invitation for Bid (IFB) or a Request for Proposal (RFP). In addition to requirements set forth in Section 3-101.2 Invitation for Bids (IFBs) – Sealed Competitive Bids, the two-step solicitation must state:

- a) That an unpriced technical offer is requested.
- b) If prices are to be submitted simultaneously as unpriced technical offers, and if they are, such prices shall be submitted in a separate sealed file through the County's e-procurement system.
- c) It is a two-step sealed bid procurement, and prices will be considered only in the second phase and only from those offerors whose unpriced technical offers are found to be acceptable in the first phase.
- d) The criteria to be used in evaluating the unpriced technical offer.
- e) To the extent the Procurement Services Director or designee or using Department/Division finds necessary, the County may conduct oral or written discussions of the unpriced technical offers.
- f) That offerors may designate/declare those portions of the unpriced technical offers that contain trade secrets or other proprietary data as confidential.
- g) That the item or contract being procured shall be furnished generally in accordance with the offeror's technical offer as found to be acceptable and shall meet the requirements set forth in the Invitation for Bids.

3-202.1 ADDENDA/AMENDMENTS TO THE INVITATION

After receipt of unpriced technical offers, addenda to the solicitation must be distributed only to offerors who submitted unpriced technical offers or to amend those submitted at a minimum of ten days before the solicitation is due. If, in the opinion of the Procurement Services Director or designee, a contemplated addendum will significantly change the nature of the procurement, the invitation shall be canceled and a new IFB issued.

3-202.2 RECEIPT OF UNPRICED TECHNICAL OFFERS

Unpriced technical offers shall not be opened publicly or disclosed to unauthorized persons. Offerors may request nondisclosure of trade secrets and other proprietary data identified in writing.

3-202.3 EVALUATION OF UNPRICED TECHNICAL OFFERS

The unpriced technical offers must be evaluated solely in accordance with the criteria set forth in the IFB. The unpriced technical offers must be categorized as (a) acceptable, (b) potentially acceptable, that is, reasonably susceptible of being acceptable, or (c) unacceptable. The Procurement Services Director or designee must record in writing the basis for finding an offer unacceptable and make it a part of the procurement file. The Procurement Services Director or designee must initiate phase two if it is determined that there are sufficient acceptable unpriced technical offers to assure effective price competition in the second phase without entering into technical discussions. If the Procurement Services Director or designee and using agency find that such is not the case, the Procurement Services Director or designee must issue an amendment to the Invitation or engage in technical discussions, whatever is deemed appropriate.

3-202.4 DISCUSSION OF UNPRICED TECHNICAL OFFERS

Discussion of its unpriced technical offer may be conducted by the Procurement Services Director or designee and the using agency with any offeror who submits an acceptable or potentially acceptable technical offer. During the course of such discussions, the Procurement Services Director or designee and the using agency must not disclose any information derived from one unpriced technical offer to any other offeror. Once discussions have commenced, any offeror who has not been notified that its offer has been finally found unacceptable may submit supplemental information amending its technical offer at any time until the closing date established. Such submission may be made at the request of the Procurement Services Director or designee or using agency or upon the offeror's own initiative.

3-202.5 NOTICE OF UNACCEPTABLE UNPRICED TECHNICAL OFFER

When the Procurement Services Director or designee or using agency determines an offeror's unpriced technical offer to be unacceptable, such offeror must not be afforded additional opportunities to supplement technical offers.

3-202.6 MISTAKES DURING TWO-STEP PROCESS

Mistakes may be corrected, or proposals withdrawn during phase one (a) before unpriced technical offers are considered; (b) after any discussions have commenced; or (c) when responding to any amendment of the Invitation for Bid.

3-203 PROCEDURE FOR PHASE TWO OF TWO-STEP SEALED BIDS - INITIATION

Upon completion of phase one, the Procurement Services Director or designee shall: (a) open prices submitted in phase one (if prices were required to be submitted) from offerors whose unpriced technical offers were found to be acceptable; or (b) if prices have not been submitted, technical discussions have been held, or amendments to the IFB have been issued, invite each acceptable offeror to submit a price proposal.

3-203.1 CONDUCT

Phase two shall be conducted as any other competitive sealed bid except:

- a) As specifically set forth in this Section 3-200 Two-Step Sealed Bidding.
- b) No public notice of the IFB to submit price proposals needs to be given because such notice was previously given.
- c) After the award, the unpriced technical offer of the successful offeror shall be disclosed as follows: The Procurement Services Director or designee and using agency shall examine written requests of confidentiality for trade secrets and proprietary data in the offeror's technical offer to determine the validity of such requests. If the parties do not agree to the disclosure of data, the Procurement Services Director or designee shall inform the bidder in writing that a portion of the unpriced technical offer will be disclosed. Unless the bidder protests under Section 4-100 Protested Solicitations, the offer will be so disclosed.
- d) Unpriced technical offers of offerors who are not awarded the contract shall not be open to public inspection unless the Procurement Services Director or designee determines in writing that public inspection of such offers is necessary to assure confidence in the integrity of the procurement process; provided, however, that the provisions of (c) above shall apply with respect to the possible disclosure of trade secrets and proprietary data.

3-300 REQUESTS FOR PROPOSALS (RFP) (FORMAL)

3-301 DEFINITION

Requests for Proposals (RFP), also known as Competitive Sealed Proposals, is an objective method of contracting for goods or services whereby proposals are solicited from qualified contractors and evaluated in accordance with specified criteria. RFPs are considered negotiated procurements, and following submission and review, discussions and changes in proposals and prices are allowed. The offer or proposal deemed by the County to be most advantageous in terms of criteria as designated

in the Request for Proposals and is determined by the Procurement Services Director or designee to be in the County's best interest may then be accepted. An RFP should not be used when the service or equipment to be contracted standard, routine, or common "off the shelf" type items or if there is an industry-standard associated with the service or commodity to be contracted. Requests for Proposals (RFP) are a very time-consuming and costly method of procurement that should only be used when sealed bidding is not appropriate.

- (a) *Notice of Request for Proposals.* The RFP shall be publicly announced at least 30 days before the proposal opening date designated in the RFP and shall include a description of the Project enumerating all requirements for the Project or state where such information is to be made available.
- (b) *Receipt and Opening of Proposals; Electronic Submittal Requirements.* Proposals will only be received electronically and must be submitted online before the date and time listed in the RFP. They shall be received into an online 'lockbox' folder and shall not be opened prior to the due date and time listed in the RFP. Proposals will be opened transparently, but information within such proposals shall not be disclosed at this time.
- (c) *Selection Committee.* For each project in which an RFP is used, the Procurement Services Director or designee shall approve a Selection Committee whom the Procurement Services Director or designee determines to be qualified to make an informed decision as to the most responsive, responsible, and qualified proposer for the proposed project.
- (d) *Evaluation of Proposals.* The RFP shall state the relative importance of each evaluation criterion but need not require numerical weightings for each factor. The Selection Committee shall review and evaluate all responsive proposals using only the criteria set forth in the RFP. The Selection Committee shall adhere to any weightings for each of the criteria set forth in the RFP. The Selection Committee may hold interviews with the most qualified proposers as the Selection Committee deems appropriate. After evaluating the proposals, the Selection Committee will rank the top proposer.
- (e) *Negotiation.* The Procurement Services Director or designee shall negotiate a contract for services with the most qualified firm at a fair and reasonable compensation to the County. At their discretion, the Procurement Services Director or designee may include members of the Selection Committee in the negotiation process. Negotiations shall be formally terminated if the Procurement Services Director or designee does not negotiate a satisfactory contract with the firm. Negotiations shall commence in the same manner with the second and then the third, until a satisfactory contract has been negotiated. If no agreement is reached with one of the three, additional persons or firms in order of their competence and qualifications may be selected after consultation with the Selection Committee, and negotiations shall be continued in the same manner until an agreement is reached.
- (f) *Right to Withdraw and Re-Solicit.* Until award, the Selection Committee and the Procurement Services Director or designee have the right to determine not to award the contract to any proposer or to determine to re-solicit proposals based upon modified terms and conditions.

3-302 WHEN REQUESTS FOR PROPOSALS ARE PRACTICABLE

Factors to be considered in determining whether requests for proposals are practicable include:

- a) Estimated contract value is more than \$50,000.
- b) The requirement is highly technical and unusual, not a standard "off-the-shelf" item, or there are no clear standards or specifications available to use in the solicitation.
- c) If the contract needs to be other than fixed-price type.
- d) If it may be necessary to conduct oral or written discussions with offerors concerning technical and price aspects of their proposals.
- e) If it may be necessary to afford offerors the opportunity to revise their proposals.
- f) If it may be necessary to base the award on a comparative evaluation as stated in the Request

for Proposals of differing price, quality, and contractual factors in order to determine the most advantageous offering to the County.

- g) If the primary consideration(s) in determining the award may be factors other than price(s).
- h) When it is necessary to make an award using the Best Value decision, thus requiring evaluation and consideration of other criteria along with the price to determine the overall Best Value to Beaufort County.
- i) When negotiations would be the preferred method to finalize the contractual arrangement.

3-303 DETERMINATION

The Procurement Services Director or designee may make determinations by category of supply, service, or construction item(s) that it is either not practicable or not advantageous to the County to procure specified types of supplies, services, or construction by competitive sealed bidding. Procurements of the specified types may then be made by competitive sealed proposals based on this determination. The Procurement Services Director or designee may revoke such determination at any time, and all such determinations shall be reviewed from time to time for current applicability.

3-304 DOLLAR THRESHOLDS FOR RFPs

Formal Requests for Proposals shall be issued by the Procurement Services Department for requirements that are estimated to exceed \$50,000. The Procurement Services Director or designee may accept written justification from the using agency for a sole source professional service contract, even though it may exceed \$50,000. The Department Director, prior to submission to the Procurement Services Director or designee, must approve this justification in Munis. The final approval authority will be the County Administrator or his/her designated representative for RFPs up to \$150,000. For proposals over \$150,000, the Department must follow the award procedures outlined in this manual's threshold section.

3-305 CONTENT OF THE REQUEST FOR PROPOSALS

The Request for Proposals shall be prepared using the following sections as a minimum:

- a) SECTION I-Proposal Information: This section includes where to submit proposals, how many copies, when they are due, information regarding amendments, the basis of the award, and the acceptance time period.
- b) SECTION II-Minimum Specifications: This section will include project scope, location, performance period, and general information.
- c) SECTION III-Proposal Content: This section includes a list of the requirements a potential offeror must address and include in his proposal.
- d) SECTION IV-Evaluation Criteria: This section includes the evaluation process, the evaluation criteria, their order of importance, and how the proposals will be evaluated.
- e) SECTION V-Terms and Conditions/Attachments/Exhibits: This section includes attachments such as sample evaluation score sheets, drawings, sketches, sample contracts, general conditions, special instructions, insurance requirements, etc.

3-305.1 EVALUATION OF PROPOSALS

RFPs shall be evaluated according to the criteria stated in the Request for Proposal. The Request for Proposal shall clearly define all evaluation factors, including price, if applicable. Numerical rating or ranking systems may be used for evaluation. Factors not specified in the Request for Proposals shall not be considered.

3-305.2 BEST AND FINAL OFFERS (BAFOs)

- a) Upon completion of discussions, the evaluation selection committee may issue a request for best and final offers to all offerors still within the competitive range. Oral requests for best and final offers shall be confirmed in writing.
- b) The request shall include:
 - Notice that discussions are concluded.

- Notice that this is an opportunity to submit a Best and Final Offer.
- A due date for submission of the Best and Final Offer.
- Note that this is only an opportunity to revise their proposals. If they choose not to submit a Best and Final Offer, then their original proposal as submitted will be considered.
- After receiving the Best and Final Offers, the evaluation selection committee shall evaluate them accordingly and recommend awarding the award to the offeror whose Best and Final Offer is most advantageous to Beaufort County, considering price and the other factors included in the RFP.

3-305.3 EVALUATION COMMITTEE

The evaluation of proposals shall be an objective process using the specified evaluation criteria in the Request for Proposal to evaluate all proposals. The actual evaluation of proposals shall be conducted by the committee and chaired by a representative from the Procurement Department. It is recommended that the committee be made up of a diverse group of individuals from a few different departments within the County. In most cases, the recommended committee should contain at least three (3) members, with one (1) member being from an organization that does not use the end product or services. There will be cases when it may not be practicable to have three (3) members on the committee and there may be cases when more than three (3) members would be more appropriate. The maximum number of evaluation committee members should be no more than five and no less than three members. If more than five evaluation committee members, the committee must be approved by the Procurement Services Director or designee.

Furthermore, all committee members shall read and sign the "Procurement Integrity Non-Disclosure Statement" prior to reviewing any of the received proposals. This statement serves as a briefing to each evaluator of the confidentiality that must be maintained while evaluating the proposals. See Chapter 10 for the form link.

3-306 PROPOSAL PREPARATION TIME

Proposal preparation time should be set to provide offerors thirty (30) calendar days under normal circumstances to prepare and submit their proposals. The Procurement Services Director or designee may modify this requirement to require less time on less complicated requirements, but in no event will the period be less than fifteen (15) calendar days unless there is written justification that warrants an emergency procurement approved by the Procurement Services Director or designee. Note that for Federal Projects (FAA, Public Safety, Homeland Security Grants), the minimum advertisement time must be 30 days.

3-307 FORM OF PROPOSAL

The manner in which proposals are to be submitted, including any forms for that purpose, may be designated as a part of the Request for Proposals in section 3-305.

3-308 PUBLIC NOTICE - ADVERTISEMENT

Public Notice shall be given by advertising the Request for Proposals in the same manner provided for the Invitation for Bids. (See 3-308 Public Notice – Advertisement.)

3-309 PRE-PROPOSAL CONFERENCE

Pre-proposal conferences may be held. Any such conference should be held at least two weeks after the solicitation is advertised to the public.

3-310 ADDENDUM TO RFP

Addendums to Requests for Proposals may be made in accordance with the Request for Proposal prior to proposal submission. After proposal submission, any amendments shall be distributed to all offerors who submitted proposals.

3-311 MODIFICATION OR WITHDRAWAL OF PROPOSAL

Proposals may be modified or withdrawn by any offeror prior to the established due date and time.

3-312 RECEIPT OF PROPOSALS

The time and date for the Receipt of Proposals will be included in the RFP and may read a specific time on a certain date. Proposals must be received by the time specified or they are considered late, and will not be accepted. Proposals shall be safeguarded in a way as to protect and avoid any disclosure of information that could harm the County's negotiation position. This includes, as a minimum, non-disclosure of the number and names of offerors until such time that an award is made. A list containing the names of the offerors shall be released and their proposals, subject to any proprietary or confidentiality requirements, shall be made available for public inspection after contract award.

3-312.1 LATE PROPOSALS

Late proposals shall be handled in the same manner as Section 3-111 Late Bids.

3-313 ONLY ONE PROPOSAL RECEIVED

If only one proposal is received in response to a Request for Proposal (RFP), the Procurement Services Director or designee has the following options:

- a) Determine if there was sufficient time allotted for offerors to submit a proposal. If not, the solicitation may be amended to extend the receipt of the proposal date, and the only proposal received shall be returned unopened to the only offeror.
- b) Proceed with evaluating the proposal from the single offeror. If the offer meets the county's requirements as stated in the RFP and the cost is determined to be fair and reasonable through negotiations, an award may be made.
- c) If the evaluation determines that the only offeror does not meet our needs or the cost negotiations do not result in a fair and reasonable price, the solicitation may be canceled and re-solicited later. Note: If the solicitation is canceled, the proposal shall be returned to the offeror upon request, and the canceled solicitation file shall be documented as to why it was canceled.

3-314 EVALUATION OF PROPOSALS

The Request for Proposals shall clearly define all evaluation criteria in order of importance, including price. Numerical rating systems and/or weights may be used but are not mandatory to be listed in the RFP. However, the criteria in the RFP must be listed in order of importance, and the weights or points assigned by the evaluation committee before evaluating proposals must follow the listed importance accordingly. The evaluators shall not consider criteria that are not specified in the Request for Proposals when evaluating proposals. Selection for the award shall be conclusive based on scoring criteria as specified in the RFP. The County reserves the right to enter into contractual negotiations with the highest-ranked firm selected by the evaluation committee. If a mutual contractual relationship cannot be established that will meet the County's needs, the County reserves the right to enter into negotiations with the second highest-ranked firm and so on.

3-314.1 DISCLOSURE OF INFORMATION AFTER RECEIPT OF PROPOSALS

Evaluation committee members shall not discuss the names of proposers and the number of proposals received or answer any questions outside of the realm of the evaluation committee from any of the offerors or outside agencies, such as the media, during the evaluation process. The primary responsibility lies with the Procurement Services Department or designee for answering questions regarding the status of the evaluation process or clarifications of proposals from interested offerors both prior to receiving proposals and during the evaluation of proposals.

3-314.2 CLARIFICATIONS

Offerors may be requested to clarify their proposals during initial evaluations to determine their acceptability. Clarifications shall be limited to items contained in an offeror's proposal that the evaluation committee has determined require further explanation by the offeror to evaluate their

proposal properly. Clarifications shall not be used to allow offerors to revise or modify their initial proposal.

3-314.3 DISCUSSIONS WITH INDIVIDUAL OFFERORS

Discussions are held to promote a complete understanding of the County's requirements and the offeror's proposal to facilitate arriving at a contract that will be most advantageous to the County, taking into consideration price and the other evaluation factors set forth in the Request for Proposals. Furthermore, offerors determined to be within the competitive range shall be accorded fair and equal treatment with respect to any opportunity for discussion and revisions of proposals. If discussions are conducted with one offeror within the competitive range, then discussions may be conducted with all prior to the award for the purpose of obtaining the best and final offers. Disclosure of any information derived from competing proposals is prohibited. Any substantial oral proposal clarification shall be reduced to writing by the offeror.

3-315 MISTAKES IN PROPOSALS

Since proposals are considered to be competitive negotiations, there is more leeway allowed for the correction of mistakes by an offeror. When it appears from a review of the proposal during evaluation and before award that a mistake has been made, the offeror may be asked to clarify their proposal in lieu of withdrawal.

3-316 AWARD OF CONTRACT

The award shall be made to the responsible offeror whose proposal is determined to be most advantageous to the County and in the best interest of the County based on the evaluation factors set forth in the Request for Proposals. No other factors or criteria shall be used in the evaluation. If an evaluation committee is established, that committee may make that determination or may make recommendations to other levels of the County organization and the Procurement Services Director or designee. The contract file shall contain the basis on which the award is made. The Procurement Services Director or designee will work with the responsible Department Head to create an AIS for approval by executive staff. Once the contract is approved by the County Administrator, Committee, or County Council, purchasing will work with the department to secure a signed contract, a notice of award, a notice to proceed, and a close-out report. Procurement Services will maintain the contract file and rely on the department for handling the payment and invoice part of the project and providing backup information concerning federally funded contracts.

3-317 DEBRIEFING UNSUCCESSFUL OFFERORS

If requested, within thirty (30) days after notice of selection and award of the contract, an unsuccessful offeror shall be debriefed and furnished the basis for the selection and award of the contract. Debriefings shall include the following information:

- a) Copies of the ranking matrix showing the strengths and weaknesses of their proposal as evaluated by the committee.
- b) The overall evaluated cost and technical rating of the winning contractor.
- c) The overall ranking of all offerors.
- d) A summary of the rationale for the award.
- e) Answer any relevant questions about the process the offeror may have.
- f) DO NOT provide a point-by-point comparison of the debriefed offeror's proposal with those of other offerors or any items listed in other offerors' proposals that may be marked confidential or proprietary.

Debriefings are held for the purpose of providing lessons learned and as a type of feedback tool to improve competition and provide an objective process.

3-318 ALTERNATE RFP METHOD – LOWEST PRICE TECHNICALLY ACCEPTABLE

The lowest price technically acceptable RFP selection process is appropriate when "Best Value" is reasonably expected to result from selecting the technically acceptable proposal with the lowest

price. When using the lowest price technically acceptable process, the following will apply:

- a) Similar to the RFP format described in Section 3-300 Requests for Proposals, the evaluation factors or criteria to be used to determine technically acceptable shall be included in the RFP.
- b) The RFP will specify that the selection process for the award will be "Technically Acceptable Lowest Cost."
- c) Cost proposals will be submitted either in a separate envelope at the time they are due for receipt or requested only from the firms that are deemed to be technically acceptable after reviewing their technical proposal. In no event shall cost be evaluated when determining technical acceptability.
- d) Proposals are evaluated for technical acceptability – pass/fail
- e) Discussions, clarifications, interviews, and revisions to proposals (Best and Final Offers) are all applicable and may be used as specified in these regulations under Section 3-300 Requests for Proposals for conventional RFPs, if necessary. However, when the process is completed, "Best Value" is determined, and the contract is awarded to the firm whose proposal was deemed to be acceptable but has the lowest overall cost.

Beaufort County has the right to enter into further negotiations with the firm rated as Best Value – Technically Acceptable Lowest Price for the purposes of value engineering or reducing the cost of the requirement if deemed necessary.

3-319 REQUEST FOR QUALIFICATIONS (RFQ).

- (a) *Preparation of Project Description.* The Procurement Services Director or designee, along with the using agency Department Head, shall be responsible for developing a description of the proposed project, listing the required professional services for that project, and preparing a formal invitation to firms to submit their qualification statement.
- (b) *Public Announcement.* The formal invitation must be publicly announced. Nothing contained herein shall preclude the Procurement Services Director or designee from directly inviting any person to submit their qualification statement.
- (c) *Selection Committee.* For each project in which an RFQ is used, the Procurement Services Director or designee shall approve a Selection Committee whom the Procurement Services Director or designee determines to be qualified to make an informed decision.
- (d) *Selection and Ranking of the Most Qualified.* The Selection Committee shall evaluate each of the firms interviewed based on criteria set forth in the invitation. Based upon these evaluations, the Selection Committee shall select the firms which, in its judgment, are the best qualified. The Selection Committee's report ranking the firms shall be in writing and will be made available to all firms interviewed upon written request from the interviewed firms.

3-320 REVERSE AUCTION

- (a) *Invitation for Reverse Auction Bids.* The Procurement Services Director or designee shall issue an invitation for Reverse Auction Bids, which shall include all bid requirements, including the specifications for the required goods and services, the time of delivery, and the quantities required.
- (b) *Public Notice.* Public notice of the bids (or pre-qualification of bidders) shall be announced. Not less than fourteen (14) days prior to the date set forth therein for the commencement of the Reverse Auction.
- (c) *Receiving Bids.* Bids shall be received online through a managed website specifically utilized for a Reverse Auction at a time and place designated in the IFB and pursuant to the time period allotted for the Reverse Auction and other rules applicable to the Reverse Auction as set forth in the Invitation for Reverse Auction. The final amount of each bid and such other relevant information, together with the name of each bidder, shall be recorded in writing. This record and each final bid shall be open to public inspection after award.

(d) *Bid Acceptance, Evaluation, and Award.* Bids shall be unconditionally accepted without alteration or correction except as authorized in this Policy. The bidder with the lowest responsive, responsible bid will be awarded the contract.

(e) *Correction or Withdrawal of Bids; Cancellation of Awards.* Correction or withdrawal of erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, may be permitted as outlined in Section 3-117.5.

3-400 SMALL PURCHASES - INFORMAL AND OTHER PURCHASES

Small Purchases.

(a) *Small Purchase Authority.* The Procurement Services Director or designee may authorize any procurement (from \$5,000 to \$50,000) not exceeding \$50,000 by soliciting written quotations from a minimum of three qualified prospective vendors.

(b) As necessary, the Procurement Services Director or designee may be required to contact additional prospective contractors to obtain three quotations. If three quotations are unavailable following a reasonable effort, the Procurement Services Director or designee shall document this fact in writing and place it in the project file.

(c) Award will be made to the lowest vendor quote, provided that in addition to price, maintenance and service costs, transportation costs, delivery time, and other requirements relative to the purchase may be evaluated. If an award is not made to the lowest vendor quote, the Procurement Services Director or designee shall document the reasons in writing.

3-400.1 PROCUREMENT THRESHOLDS FOR SMALL PURCHASES UNDER \$50,000

The procurement of supplies, equipment, materials, or services estimated to be worth up to \$50,000 may be made on the open market by informal methods without public notice and advertisements and without following the steps outlined in Section 3-101 Competitive Sealed Bidding if the Procurement Services Director or designee determines adequate competition, will be obtained using informal procedures. On-call professional services under \$50,000 may be procured under the Small Purchase Threshold through the negotiation process to reach a fair and reasonable price.

3-400.2 COMPETITION NOT REQUIRED

Beaufort County may acquire supplies, materials, equipment, or services costing up to \$5,000 without the benefit of documented written competitive bids or quotes. The Procurement Services Department or using department acquiring goods or services in this manner shall be expected to use professional judgment to ensure that the County is receiving overall best value. This rule does not preclude the option to receive written or telephone quotations. Procurement requirements shall not be artificially divided (split) to constitute a small purchase under this rule.

3-400.3 ADDITIONAL DECENTRALIZED AUTHORITIES FOR COUNTY GROUPS/UNITS

This regulation allows the Procurement Services Director or designee to decentralize limited purchasing authority to every department/division, agency, commission, bureau, or other unit of Beaufort County as follows:

- a) Authority to use the County's Purchasing Card (P-card is also synonymous with VISA) for purchase of goods and services (that are not IRS defined 1099 vendors) up to \$1500 (see Purchasing Card Manual).
- b) Authority to solicit competitive quotes via fax or copied text message (see Section 3-400.4 Documented Telephone/Written Quotations) and write and process requisitions up to \$50,000. All purchase orders are subject to audit by an outside auditor and the Procurement Services Department to ensure compliance with the County's procurement regulations.
- c) The Procurement Services Department has the authority, if necessary, to require formal solicitation of bids or proposals for procurements over \$50,000. In cases where a department requires contracting for services that are longer than sixty (60) days and numerous known

sources provide these services, such as janitorial services, the Procurement Services Department may determine it necessary to formally solicit bids or proposals regardless if the procurement is less than \$50,000. Therefore, County departments should contact the Procurement Services Department when procuring goods, services or construction that exceeds \$50,000.

3-400.4 DOCUMENTED TELEPHONE/WRITTEN QUOTATIONS

The individual departments within the County may be permitted to procure supplies, equipment, materials, and services that do not exceed \$50,000 (see Section 3-400.3 Additional Decentralized Authorities for County Groups/Units), after coordination with their assigned Procurement Services Department staff, by securing documented written quotations that provide:

- a) The name of the company or firm.
- b) The person providing the quotation.
- c) The delivery date.
- d) FOB information.
- e) Cash terms; and
- f) Price (s) of item(s).

Departments must show good faith that they attempted to receive a minimum of three written quotes from vendors if the cost is over \$5,000 to \$50,000.

See the link in Chapter 10 for a detailed chart concerning Procurement Thresholds for Goods and Services.

3-500 EMERGENCY PROCUREMENT

An emergency condition is a situation that creates a threat to public health, welfare, or safety, such as may arise by reason of floods, epidemics, riots, equipment failures, or other such reason as may be proclaimed by a using agency. The existence of such conditions creates an immediate and serious need for supplies, equipment, materials, and services that cannot be met through normal procurement methods and the lack of which would threaten the function of County government or the health, safety, or welfare of County residents. The department must complete and turn in the Emergency Purchase Report form to the Procurement Services Department within 24 hours of the emergency.

Notwithstanding any other provision of these procedures, the Procurement Services Director or designee may make or authorize others to make emergency procurements. Such emergency procurements shall be made with as much competition as is practicable under the circumstances. A written determination of the basis for the emergency procurement and for the selection of the particular vendor shall be included in the project file; however, such written determination shall not be deemed to be a condition precedent to an award under this section. The written determination must state, at a minimum, the cause of the emergency procurement, the reason the non-emergency procurement could not be followed within the time needed for the goods or services provided, and whether any competition was practicable.

1. It is recognized that certain emergencies cannot be anticipated. These include equipment, County property, vehicle breakdowns, and damage to County buildings caused by storms. Emergency purchases may be made in these instances, but only if departmental operation would be seriously impaired if immediate action were not taken. An emergency condition is a situation that creates a threat to public health, welfare, or safety, such as may arise by reason of floods, epidemics, riots, equipment failures, fire loss, or such other reasons as may be proclaimed by either the Procurement Services Director or designee or a department head. Enter justification in the remarks section. The existence of such conditions must create an immediate and serious need for supplies, services, or construction that cannot be met through

normal procurement methods.

2. Departments may make emergency purchases with the proper justification and approval by the Procurement Services Director or designee. A requisition must be entered into MUNIS by the department purchasing the goods or services as soon as possible, along with notifying the Procurement Services Director or designee within 24 hours of the emergency purchase with written justification by email. The Department Head or designated staff member must also complete the "Emergency Purchase" form (found in SharePoint under the County Forms section) within 24 hours. The Department Head must provide this information by phone, with a follow-up in writing to the Procurement Services Director or designee summarizing the who, what, when, where, and why the purchase was considered an emergency purchase. See paragraph 4 below.
3. To initiate an emergency purchase, the requesting department must enter a requisition and email/call the Procurement Services Director or designee. The requesting department will solicit at least two (2) quotes when possible and then call the vendor with an emergency purchase order number. Under no circumstances are prior arrangements to be made with a vendor for materials and/or services, except for information, before a purchase order number is obtained. The Procurement Services Department will email the "confirming" purchase order to the vendor.
4. If an emergency should arise during a time when the Procurement Services Department is normally closed, the using department will follow the same procedure as above, except that a purchase order number will not be used at the time of the transaction. The sales ticket or invoice will be attached to the confirming requisition and forwarded to the Procurement Services Department the following workday, along with a brief justification in the remarks section and the fact that a purchase order number has not been obtained. The Department Head making the emergency purchase must inform the Procurement Services Director or designee within 24 hours from the time the goods or services are purchased from the vendor. Use the Emergency Procurement Approval Form located on the County's SharePoint page.

3-500.1 SCOPE OF EMERGENCY PROCUREMENTS

Emergency procurement shall be limited only to a quantity of those supplies, equipment, materials, or services necessary to meet the emergency.

3-500.2 AUTHORITY

Subject to emergency disaster declarations, any using agency may make emergency procurements when an emergency condition arises and the need cannot be met through normal procurement methods. In the event an emergency arises after normal working hours, the using agency shall notify the Procurement Services Director or designee on the next business day.

3-501 EXTRAORDINARY PROCUREMENTS

The Procurement Services Director or designee may take action necessary to make procurements when substantial savings are only available during a limited time period; provided, however, that such savings are documented by the Procurement Services Director or designee.

3-502 SOLE SOURCE PROCUREMENT/NONCOMPETITIVE PURCHASE

- (a) *Use of Sole-Source.* Sole-source procurement is not the preferred procurement method and shall only be used when absolutely necessary and when all other procurement methods have been exhausted. Sole-source procurement and Non-competitive (Single-Source) procurements are permissible if a requirement is available from only a single supplier. A requirement for a particular proprietary item does not justify sole source procurement if there is more than one potential bidder or offeror for that item or service. Sole source purchase requirements may arise from a number of circumstances including, but not limited to:

1. The purchase of an item or service where compatibility is the overriding consideration.

2. The purchase of a particular product for trial or testing. (If this justification is used and additional items are required after testing, then competition must be sought if possible.)
 3. The Procurement Services Director or designee, in writing, determines the use of a sole source or single source purchase to be in the best interest of the County based on unusual or clear and compelling urgency, such as in emergency situations.
 4. The use of other than OEM parts would void a still valid warranty.
 5. The purchase of a used item that becomes immediately available and cost is determined to be fair market value.
 6. See Chapter 10 for the correct link for the Non-Competitive Form.
- (b) *Determination of Sole-Source.* A contract may be awarded without competition when the Procurement Services Director or designee recommends in writing, stating with particularity the factual basis for the determination. Sole Source justification and recommendation described herein shall be submitted by the using department to the Procurement Services Director or designee. The sole-source determination shall demonstrate that:
1. There exists only one appropriate, practicable source for the required supply, service, equipment, or construction item.
 2. An explanation as to why no other vendor will be suitable or acceptable to meet the need;
 3. That a particular source for the required supply, service, or construction item has a unique ability or knowledge, or circumstance that is beneficial to the County and to the public with respect to the supply, service, or construction.
 4. Determination of fair and reasonable price; and
 5. Sole Source awards may be granted for contract renewals to maintain standardization, for specific proprietary concerns, to maintain existing product or service warranties or guarantees, or when in the best interest of the County as determined to meet the requirements herein.
- (c) A county contract may be awarded without competition when the Procurement Services Director or designee determines in writing, after conducting a good faith review of available sources, that there is only one source for the required supply, service, or construction item. The Procurement Services Director or designee shall conduct negotiations, as appropriate, as to price, delivery, and terms. A record of sole source procurements shall be maintained as a public record and shall list each contractor's name, the amount and type of each contract.
- (d) Sole - Source procurement of a used item from the open market may only be considered, provided that:
1. The using agency recommends purchase;
 2. The condition of the item is verified by the appropriate County official; and
 3. Price analysis justifies purchase when the following factors are considered:
 4. New acquisition price;
 5. Current book value; and
 6. Maintenance cost.
 7. Warranty cost or issues.
- (e) *Record of Sole-Source.* A record of Sole Source procurements shall be maintained as a public record and shall include the written Sole Source determination, listing each Contractor's name, the amount and type of each Contract, a listing of the items procured under each Contract, and listed in SharePoint.

3-600 ON-CALL PROFESSIONAL SERVICES LIST

1. The County will continue to receive qualification submittals throughout each fiscal year from firms capable of providing professional services.
2. These services shall normally be procured in accordance with Section 2-512 of the Ordinance

using RFQ.

3. In those instances where the professional fees for architect-engineer or other professional services are estimated not to exceed fifty thousand Dollars (\$50,000), the services of these professionals may be obtained using the following procedures:
 - a. The County Engineer is responsible for maintaining the Professional Services On-Call list. This master list will be coordinated with the Procurement Services Director or designee and updated from time to time as firms are added and deleted from the On-Call list. This On-Call list will be placed on the Procurement Services Department SharePoint page. Individuals or firms not on the established On-Call list registry may be added at any time by submitting the required qualification information to the Procurement Services Department, as mentioned above. For additional information, please contact the Procurement Services Department.
 - b. From this On-Call registry, an individual or firm will be chosen for a particular project based upon, but not limited to:
 - (1) The nature of the project,
 - (2) Their respective qualifications and demonstrated competence,
 - (3) Their capability to produce the required service within a reasonable time,
 - (4) Past performance,
 - (5) Ability to meet project budget requirements, and
 - (6) The proximity of the professional service provider to the project.
 - c. Negotiations will be conducted with the selected individual or firm to arrive at a fair and reasonable Task Order price.
 - d. Formal sealed bid procedures do not apply in the procurement of professional services from the On-Call firms on this list.
 - e. Approval of all professional service contracts shall be as specified in Section 2-512 of the Ordinance, based on the total dollar amount.
 - f. Firms on this list shall be used on a rotational basis.

3-700 CONTRACTORS ON-CALL VENDORS LIST FOR SERVICES AND MATERIALS UNDER \$100,000

1. The County will continue to receive qualification submittals throughout each fiscal year from vendors capable of providing goods and services.
2. These services shall normally be procured using IFB, RFQ, or RFP in accordance with Section 2-522 of the Beaufort County Ordinance.
3. In those instances where the cost for goods and/or services are estimated not to exceed \$100,000, the goods and services may be obtained using the following procedures:
 - a. The Procurement Services Department maintains the On-Call Vendor List for Goods and Services Under \$100,000. This master list will be coordinated with the Procurement Services Director or designee and updated from time to time as vendors are added and deleted from the on-call list. This On-Call Vendor list will be placed on the Procurement Services Department's SharePoint page. Vendors not on the established on-call registry may be added at any time by submitting the required on-call qualification information as addressed in the form. For additional information, please contact the Procurement Services Department.
 - b. From this registry, a vendor will be chosen for a particular project based upon, but not limited to:
 - (1) The nature of the project,
 - (2) Their respective qualifications and demonstrated competence,
 - (3) Their capability to produce the required goods and services within a reasonable time,
 - (4) Past performance,
 - (5) Ability to meet project budget requirements,

- (6) The proximity of the vendor to the project, and
- (7) The vendor's ability to provide fair and reasonable pricing and discounts.
- c. Negotiations will be conducted with the selected individual or firm to arrive at a fair and reasonable contract price.
- 4. Formal sealed bid procedures do not apply in the procurement of Small Goods and Services from On-Call registered vendors on this list.
- 5. Approval of all goods and service contracts shall be as specified in Section 2-512 of the Ordinance, based on the total dollar amount.
- 6. Splitting of larger projects into smaller projects for the purpose of circumventing the provisions of subparagraph 3 above is prohibited.

3-700.1 PREQUALIFICATION OF VENDORS

- (a) The Procurement Services Director or designee may pre-qualify all prospective vendors (including those for Reverse Auction) or proposers. The Procurement Services Director or designee may also use pre-qualification selection procedures from the Prequalified On-Call Vendors For Goods And Services Under \$10,000 in Section 3-700.
- (b) Notice of On-Call Vendor solicitation shall be publicly announced and shall set forth the criteria (or state where such criteria are to be made available) by which the qualifications and appropriateness of prospective bidders shall be determined. Only those criteria set forth in the pre-qualification notice may be considered in pre-qualifying vendors. The Procurement Services Director or designee shall make all pre-qualification decisions in the exercise of its reasonable discretion. He shall make a written record of the bases for its pre-qualification determinations. Before the issuance of the RFQ, all prospective vendors or proposers who were provided with pre-qualification notice will be notified of the Procurement Services Director's or designee's decisions relating to the approved On-Call list. An electronic record will be maintained by the Procurement Services Department on all qualified On-Call Vendors.

3-800 PROJECT DELIVERY METHODS

- (a) **Authorized Methods** - The following project delivery methods are authorized:

- (1) Design-Bid-Build.
- (2) Construction Management at-Risk.
- (3) Operations and Maintenance.
- (4) Design-Build.
- (5) Design-Build-Operate-Maintain.
- (6) Design-Build-Finance-Operate-Maintain.
- (7) Contractors On-Call List; and

- (8) Such other project delivery methods that the Procurement Services Director or designee may approve combining one or more aspects of the delivery methods in items 1-7 above.

- (b) **Construction Projects** - In consultation with the relevant using agency, the Procurement Services Director or designee shall have discretion to select the appropriate method of project delivery for a particular construction project. In determining which method to use, the Procurement Services Director or designee shall consider the County's requirements, resources, and the potential contractor's capabilities. The Procurement Services Director or designee shall execute and include in the project file a written determination setting forth the facts that led to selecting a particular project delivery method for each construction project.

3-800.1 SOURCE SELECTION OF PROJECT DELIVERY METHODS

Except as provided elsewhere in these procedures, source selection methods applicable to procurements for the project delivery methods identified in Section 3-800 shall be as follows:

- (a) *Design-Bid-Build and Construction Management At-Risk.*

- (1) *Design*. The selection process provided for in Section 1-103 shall be used to procure Professional Services, including construction management.
- (2) *Construction*. Either an IFB or RFP must be used to procure construction in design-bid-build procurements.
- (b) *Design-build, Design-Build-Operate-Maintain, and Design-Build-Finance-Operate-Maintain*. RFPs must be used to procure all design-build project delivery methods.
- (c) *Operations and Maintenance*. IFBs or RFPs must be used to procure contracts for operations and maintenance.
- (d) *Contractors On-Call List*. The Procurement Services Director or designee is authorized to select a group or groups of pre-qualified vendors to provide services or materials to the County for one or more types of projects over an extended period of time (not to exceed three years).
 - (1) Such group(s) of on-call vendors shall be selected pursuant to an RFP or Qualifications Based Selection processes outlined in these Procedures.
 - (2) Once an on-call contract is properly executed, the Procurement Services Director or designee may procure services from such contractor(s) without further public notice or solicitation. If multiple vendors are on the executed contract, the Procurement Services Director or designee should rotate the vendors when possible.

PLEASE CONTACT PROCUREMENT SERVICES TO BEGIN THE SOLICITATION PROCESS

3-900 OTHER SOURCING METHODS

a. EQUIPMENT LEASING

A municipal lease is a contract under which title to the equipment will not pass to the lessee. However, a municipal lease with an option to purchase allows the title to pass if the purchase option is exercised. It has, or has the effect, of a conditional sales agreement. Leases and purchase options should never be used to circumvent the requirements for competition. The soundest and safest approach is that any equipment lease be subject to the requirements for competition that apply to outright purchases, either as outlined in Section 3-101 Competitive Sealed Bidding or Section 3-300 Requests for Proposals. Municipal leases with the option to purchase should normally not be considered unless, over \$150,000, there are insufficient funds available for the outright purchase of the equipment. There is a written justification reviewed by the Finance Director concurring that the municipal lease purchase is the preferred procurement method and funds are available for the proposed lease term. If the requirement is less than \$150,000, then the Department Director must submit the justification for approval by the Procurement Services Director or designee. NOTE: Contact the Procurement Services Department for information on leasing copiers. Copiers do not fall within the requirements of this provision. All building and land property leases must be approved by the County Administrator and require a public hearing and resolution by the Council.

b. EQUIPMENT RENTALS

An equipment rental agreement is defined as equipment in which the owner holds the title (not the individual or group renting the equipment). Rental payments are normally established through a competitive procurement process. The resulting rental fees are determined by the owner of the equipment through the bid process. The title will not transfer to the County unless the County chooses to actually purchase the equipment at the end of the rental period. Rentals are differentiated from leases by payments are not an amortization of the value of the equipment. Primarily, rentals are for short periods of time to allow for one-time or temporary usage of equipment necessary to perform a job or project and should not be used to actually purchase the equipment unless otherwise specified in the solicitation or determined to be in the County's best interest.

c. EXECUTION OF LEASE AGREEMENTS

All lease agreements for capital equipment shall be reviewed by the Procurement Services Director or designee and County Attorney and shall be signed by the County Administrator after

appropriate review and negotiation of terms and conditions. The Procurement Services Director or designee may elect to seek additional proposals from third-party leasing companies. Lease agreements signed by unauthorized parties may be voided and may result in personal liability. The County Administrator may designate other members of the County government to sign contracts that have been reviewed and approved by the Procurement Services Director or designee and approved as to form by the Office of the County Attorney.

d. COUNTY PURCHASING CARDS

The Beaufort County Purchasing Card (P-Card) may be used for small purchases in accordance with the rules and regulations set forth in the P-Card Program Manual. The P-Card is the preferred procurement method for small purchases (less than \$1,500). This includes orders placed using master agreements. The County Administrator may authorize limit increases on a case-by-case basis for purchases that exceed \$1,500 based on purchases from contracts or purchases that were completed, and the vendor will accept the County's P-card for payment.

3-1000 REQUESTS FOR INFORMATION (RFIs)

Requests for Information (RFIs) may be used by the County to gather information necessary for planning purposes regarding estimated prices and delivery, research market trends, or to determine the capabilities of industry or technology. An RFI is only used to gather information and shall not be used to enter into a binding agreement or contract. There is no required format for RFIs.

- a) General information about the County or specific department needs and future requirements may be disclosed in the RFI.
- b) An RFI may also be used to ascertain or justify the availability of sources for use in a sole source justification.
- c) The information gathered in response to the RFI may be used to compile or prepare specifications for use by the County in a future procurement.
- d) All information received in response to the RFI shall be made available to the public and potential future offerors as soon as practicable to avoid unfair competitive advantage unless the release of the information would harm the firm's confidential business strategy, such as trade secrets or information that is protected from release under the Freedom of Information Act.
- e) All firms that submitted a response to an RFI shall be invited to propose any future Requests for Proposals or Invitations for Bid that resulted from the information gathered from the RFI.

CHAPTER 4 – PROTESTED SOLICITATIONS

4-100 PROTESTED SOLICITATIONS

Resolving Protests

- (a) *Right to Protest.* Any actual or prospective bidder, proposer, or contractor who is aggrieved in connection with the solicitation or award of a contract may protest to the Procurement Services Director. The protest, setting forth the grievance and the grounds therefor, shall be submitted in writing within ten days after such aggrieved person knows or should have known of the facts giving rise thereto, but in no circumstance after fifteen days of notification of award of contract.
- (b) *Authority to Resolve Protests.* The Procurement Services Director shall have the authority to settle and resolve a protest of an aggrieved bidder, proposer or contractor, actual or prospective, concerning the solicitation or award of a contract.
- (c) *Decision.* Should the parties fail to resolve the protest, the Procurement Services Director shall promptly issue a written decision stating the reasons for the action. A decision of the Procurement Services Director shall be mailed or otherwise furnished immediately to the protestant and any other intervening party, and the decision shall be final unless a person adversely affected by the decision appeals to the County Administrator within seven (7) days of receiving the decision. The County Administrator shall make a ruling concerning the appeal

within fifteen days of receipt of the appeal. The ruling of the County Administrator shall be mailed or otherwise furnished immediately to the protestant and any other intervening party, and the ruling shall be final.

4-100.1 STAY OF PROCUREMENT DURING PROTEST

In the event of a protest by this section, the Procurement Services Director shall not proceed further with the solicitation or award of a contract until administrative remedies have been exhausted or until a written determination is made that the award of a contract without delay is necessary to protect the substantial interests of the County.

4-101 DEBARMENT OR SUSPENSION OF VENDOR

4-101.1 DEBARMENT

The offer of cash, merchandise, gratuities, or any other thing of value to an official or employee by any contractor or prospective contractor is prohibited and shall be reason for the Procurement Services Director or County Administrator declaring such contractor or prospective contractor to be an irresponsible bidder and for debarring such contractor or prospective contractor from participation in the County's procurements for a period of (2) years. A decision to debar shall be mailed or otherwise furnished immediately to the affected contractor or prospective contractor, and the decision shall be final unless appealed in writing to the County Council and received by the Clerk to the Council within ten (10) days of receiving the decision.

The Procurement Services Director has the authority to suspend or debar any vendors or contractors for the following:

- a) Default on awarded contract. (debarment).
- b) Failure to enter into a contract resulting in a demand or collection of a bid bond by the County. (suspension).
- c) Routinely perform unsatisfactory work (suspension or debarment).
- d) Violated contract terms and conditions without cure or remedy (suspension or debarment depending on severity).
- e) Have pending litigation against the County (may only be suspended pending results of litigation.)
- f) Default on paying any taxes, license fees, or other monies due the County (suspension.)
- g) Convicted of fraud or criminal acts while performing as a supplier, prime contractor, or subcontractor on any County contracts, even those not associated with or written by the County (debarment).
- h) Contractors that have been found to have violated the County's Code of Ethics by offering gifts or gratuities to a direct official will be subject to debarment.
- i) If documentation substantiates a consistent past performance record of habitually or continuously unsatisfactory performance, safety violations, repeated violations of contract provisions, or delinquent performance by a contractor (suspension).
- j) On capital improvement projects (construction) – failure to complete all punch list items within a timely manner including final closeout requirements of the contract (suspension).

At the conclusion of the suspension or debarment period, the suspended or debarred vendor may submit a formal request to be removed from such status. Upon receipt of this request, the Procurement Services Director will be required to investigate the suspended contractor's current and past performance since the suspension or debarment to determine responsibility.

CHAPTER 5 – SURPLUS PROPERTY

5-100 Disposal of Surplus Supplies.

All surplus supplies, materials, and equipment that are considered salvage or surplus may be sold to the highest responsive bidder by and upon such terms and conditions as the Procurement Services Director or designee shall require concerning such surplus supplies and materials,

provided; however, that the Procurement Services Director or designee may sell, lease, or dispose of any supplies, materials, or junk.

5-100.1 SURPLUS PROPERTY REQUIREMENTS AND PROCESSING

To access the Property Control Form to add, delete, change, transfer, or auction surplus property, see Chapter 10.

5-100.2 SUPPLY MANAGEMENT REGULATIONS REQUIRED

The Procurement Services Director or designee shall promulgate regulations governing the following:

- (1) The management of supplies during their entire life cycle.
- (2) The sale, lease, or disposal of surplus supplies by public auction, competitive sealed bidding, or other appropriate method designated by regulation.
- (3) Transfer of excess supplies.
- (4) The sale or lease of real property owned by the county after the required public hearing.

5-100.3 Allocation of proceeds from sale or disposal of surplus supplies.

The Procurement Services Director or designee shall deposit proceeds from the sale, lease, or disposal of surplus supplies in the county's general fund or other fund account as designated by the Chief Financial Officer.

5-100.4 INTERNET AUCTIONS

Beaufort County participates in GovWorld Auctions, an internet auction service, to sell its surplus property, including vehicles. GovWorld Auctions provides services to various government agencies that allow them to sell surplus via the internet. Registration is free for the public. See Chapter 10 for the proper link.

5-100.5 DEPARTMENTS' ROLES IN INTERNET AUCTIONS

Department staff must contact the Procurement Services Department for coordination and assistance with internet auction sales. If selling vehicles and equipment, contact the Procurement Services Department to turn in assets.

CHAPTER 6 - AUDITING, REPORTING, AND TRAINING

6-100 AUDITING AND FISCAL REPORTING

- (a) The Chief Financial Officer shall develop written plans for the annual auditing of County procurements.
- (b) On an annual basis, auditors working for the County either as employees or as third-party professional consultants shall review the adequacy of the County's internal controls to ensure compliance with the requirements of these procedures. A noncompliance discovered through an audit must be transmitted in writing by the auditor to the Chief Financial Officer and County Administrator.

6-101 INTERNAL REPORTING

When any information or allegations concerning anticompetitive or unethical practices among any bidders or proposers come to the attention of any employee, immediate notice of the relevant facts shall be transmitted to the Procurement Services Director or designee, County Attorney, or under the County's Whistleblower Policy.

6-102 PROCUREMENT TRAINING

The Procurement Services Director or designee will develop a system of training for procurement processes that is consistent with and furthers the efficient implementation of these Procedures and encompasses the latest techniques and methods of public procurement consistent with these Procedures. All employees responsible for purchasing shall take part in annual training. Employees who would like additional procurement training should contact Procurement Services for assistance.

All new employees responsible for their department's procurements must undergo initial County procurement training before administering any procurements for their respective departments.

CHAPTER 7-ETHICS AND PROHIBITED EMPLOYEE ACTIONS/ INFORMATION

7-100 ETHICS - EMPLOYEE CONFLICT OF INTEREST

It shall be unethical for any employee to participate directly or indirectly in a procurement contract when the employee knows that:

1. The employee or any member of the employee's immediate family has a financial interest in the procurement contract.
2. Any other person, business, or organization with whom the employee or any member of an employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement contract; or
3. An employee or any member of an employee's immediate family who holds a financial interest in a disclosed blind trust shall not be deemed to have a conflict of interest about that financial interest.

7-101 GRATUITIES AND KICKBACKS

(a) *Gratuities.* It shall be unethical and prohibited for any person to offer, to give, or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, about any program requirement or a contract or subcontract, or to any solicitation or proposal therefore.

(b) *Kickbacks.* It shall be unethical and prohibited for any payment, gratuity, 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 subcontractor order.

*

7-102 PROHIBITED EMPLOYEE PARTICIPATION

An employee is prohibited from participating directly or indirectly in any procurement process while said employee is also an employee of an entity contracting with the County. An employee is prohibited from any unethical participation or action including, but not limited to, S.C. Code of Laws Ann. Title 8 Chapter 13 Public Officers and Employees as it applies.

7-103 USE OF CONFIDENTIAL INFORMATION

It shall be unethical for any employee or former employee to use confidential information for actual or anticipated personal gain or any other person's actual or anticipated personal gain.

7-104 SEVERABILITY

If any provision of these procedures, this Division, or any application thereof to any person or circumstances is held invalid; such invalidity shall not affect other provisions or applications of the procedures or the Division which can be given effect without the invalid provisions or application, and to this end the provisions of these procedures and Division are declared to be severable.

7-105 REPEALED

All previously issued ordinances or procurement policies and procedures manuals about public procurement for this County are hereby repealed.

CHAPTER 8– VENDOR REGISTRATION PROCESS ON THE COUNTY’S E-PROCUREMENT SYSTEM

8-100 VENDOR REGISTRATION

Vendors can go to the Procurement Services page on the Beaufort County website and click on Vendor Registration. www.beaufortcountysc.gov → Offices → Procurement Services → Vendor Registration Once they register, they will be able to see published solicitations and will be notified of new solicitations published according to the NIGP Codes they submitted with their registration.

8-101 INSTRUCTIONS FOR BEAUFORT COUNTY EMPLOYEES TO VIEW BIDS

Beaufort County employees can view solicitations either by going to the Procurement Services e-procurement system and clicking on Bid Opportunities or they can contact Procurement Services and request access. Procurement will send an invite to create a username and password in the e-procurement system.

CHAPTER 9– P-CARDS

9-100 P-CARD PROCESS FOR DEPARTMENTS

Please refer to Chapter 10 for the Procurement Card (P-Card) Program Manual in SharePoint.

9-200 FREQUENTLY ASKED QUESTIONS

These questions are not listed in any order by topic but may help you find out how or who to contact during the purchasing process:

1. Who do I contact for contract issues and processing? Procurement Services Department Staff.
2. Who do I contact to change purchase order orders in Munis? Go to County Forms in SharePoint for the correct form and request for approval.
3. How much are Departments allowed to go over on a PO change order from the original amount? Up to 10 percent may be approved by Procurement. If the change order is over 10% and over \$150,000, the change order must be approved by the correct committee, or if the PO is over \$200K, it must be approved again by the County Council.
4. At the end of the year, what do Departments do with Purchase Orders where the goods/services have not been received or have not been completed? You should roll over the Purchase Order into a new requisition for the amount that is remaining on the Purchase Order. Departments should have included these amounts in the new budget. If there are questions you may contact Procurement Services for assistance.
5. What do we do at the end of a contract term/period when renewals are left on the contract? Contact the Procurement Services Department and ask for a renewal to be sent to the vendor. It is the department's responsibility to contact the Procurement Services Department at least 120 days prior to the final renewal period if the contract needs to go back out for competition.
6. Who do I contact for the disposal of surplus items (cars, trucks, equipment, and some furniture), and what is the process? Contact the Procurement Services Department.
7. Who do I contact for a new P-Card or to destroy one? Contact the Procurement Services Department and ask for the P-Card Administrator.
8. As a Department Head or staff member, who do I contact for assistance with solicitations, i.e., (RFPs, IFBs, RFQs). Contact the Procurement Services Department.
9. At what dollar threshold does the County require advertising in a local paper and the SC

Business Office Magazine for solicitations? All goods and services must be advertised for a minimum of 14 days for a bid and 30 days for an RFP or RFQ if the goods or services will be over \$50,000 and they are not on a State, GSA, or cooperative contract. For construction bids, we require 30 days from the date of advertisement to the due date in order to allow vendors time to respond to our local and minority requirements.

10. Does the County have a local preference for vendors? Yes, please see Division 4, Purchasing Code, Section 2-519, Local Vendor Preferences.
11. Are pre-bid or pre-proposal meetings required for bids or RFPs? No, but it is highly recommended to schedule one or two meetings if the goods or services are highly technical or require construction.
12. When departments enter requisitions, what essential information must they attach to them? Departments must attach the applicable backup information before releasing the requisition for approval in the workflow. For example, quotes, committee/County Council approval AIS/agendas, current contracts, sole source forms, bid tabs, COIs, state contract, or cooperative contract numbers.
13. Who do I contact when I need to delete a requisition or need to create and add a change order to a purchase order? Procurement Services Staff.
14. What is the correct process to follow when purchasing goods and services?
 - a. Determine the need and estimate the dollar threshold for the purchase.
 - b. Check to ensure you have the money to cover the purchase in your budget.
 - c. Call or email your vendors to request price quotes in writing. Do a market analysis to see what vendors are available and check for fair and reasonable pricing.
 - d. If the purchase is under \$50,000, get three quotes and award it to the lowest responsive/responsible vendor who can meet your needs and delivery schedule. We must bid and advertise if it is over \$50,000 and not on a State, GSA, or cooperative contract.
 - e. If this is a new vendor request, please send a New Vendor Packet and a certificate of Insurance (COI) if required. Then, send the New Vendor Packet and COI to Finance accounts payable so they may create a new vendor number in Munis for your use when entering the requisition.
 - f. Enter the requisition and attach all backup documents, i.e., contracts, current COI, bid tab, copy of the committee/County Council agenda, Non-Competitive Request Form, etc.
 - g. Release the requisition in Munis for approval. Once you receive a copy of an approved purchase order, you may order the goods or services. Note that you may select in Munis to automatically send a copy to the vendor once the PO is approved and printed in Munis.
15. What do we do if the vendor does not have worker's compensation but still needs to provide insurance? Have the vendor complete the new Statement of Independent Contractor Form and attach it to the requisition and send a copy to Risk Management. The form can be found on the County's SharePoint.
16. Where do I find County forms relating to Finance and Purchasing? Forms can be found on the County's SharePoint.
17. Who should I contact regarding information on the County's Amazon Business account? Contact the Deputy Director for instructions/assistance.

CHAPTER 10 COUNTY FORMS AND HELPFUL LINKS

10-100 FORMS AND LINKS

Beaufort County Website www.beaufortcountysc.gov

SharePoint (County Forms)

<https://beaufortcountysc.sharepoint.com/sites/Forms/SitePages/County-Forms.aspx>

10-101 STATE AND COOPERATIVE CONTRACTS (COMMONLY USED)

South Carolina State Term Contract www.procurement.sc.gov/contracts

General Services Administration (GSA) www.gsa.gov

Sourcewell [Sourcewell | Cooperative Purchasing Advantages](#)

Purchasing Cooperative of America [faq | PCA](#)

PEPPM <https://www.peppm.org/>

OMNIA [OMNIA Partners | A Better Way to Buy | Group Purchasing](#)

NPPGov [National Cooperative Procurement Partners - NPPGov](#)

NASPO [Home - NASPO ValuePoint](#)

Keystone Purchasing Network [Keystone Purchasing Network –](#)

Choice Partners [Choice Partners National Purchasing Cooperative and Procurement Network |](#)

[Choice Partners Cooperative](#)

PURCHASE PROCESS ACCORDING TO THRESHOLDS

Need for Construction, Goods, or Services

Tax and Shipping/Freight must be included in the purchase amount.

Procurement Services Director and CFO has the authority to sign contracts up to \$49,999

Any purchase over \$50,000 must be publicly advertised unless the department is using a vendor from a State, GSA, or Cooperative Contract.

Purchases up to \$4,999	Purchases from \$5,000 to \$49,999	Purchases from \$50,000 to \$149,999	Purchases from \$150,000 to \$199,999	Purchases Over \$200,000
No Quote or Requisition Required. If the vendor requires a Purchase Order then a quote for that product or service must be obtained for attachment in the requisition.	Written Quotes from a minimum of 3 qualified vendors necessary	A Solicitation Request/Confirmation of Budget form must be completed and submitted electronically for an IFB, RFP, RFQ.	A Solicitation Request/Confirmation of Budget form is to be completed and submitted electronically for an IFB, RFP, RFQ.	A Solicitation Request/Confirmation of Budget form is to be completed and submitted electronically for an IFB, RFP, RFQ.
Orders may be made and invoices submitted for payment. Budget must be available	Requisition must be entered in MUNIS with quotes and COI attached	Budget Approval form is electronically signed and completed by the Dep. Head, Finance and Procurement Services Director.	Budget Approval form is electronically signed and completed by the Dep. Head, Finance and Procurement Services Director.	Budget Approval form is electronically signed and completed by the Dep. Head, Finance and Procurement Services Director.
If Vendor will not invoice the payment may be made with P-Card	Must have Department Head and Purchasing Director approvals in MUNIS	Procurement Services will move forward with the solicitation and advertising once an approved budget form is received.	Procurement Services will move forward with the solicitation and advertising once an approved budget form is received.	Procurement Services will move forward with the solicitation and advertising once an approved budget form is received.
	Award must be made to the lowest vendor quote	A competitive sealed bid process must occur. Solicitation must be advertised in Vendor Registry, SCBD, and Local Newspaper	A competitive sealed bid process must occur. Solicitation must be advertised in Vendor Registry, SCBD, and Local Newspaper	A competitive sealed bid process must occur. Solicitation must be advertised in Vendor Registry, SCBD, and Local Newspaper
	Once requisition is converted to a PO the order may be made	Award must be made to lowest responsive and responsible source or highest ranked vendor	Award must be made to lowest responsive and responsible source or highest ranked vendor	Award must be made to lowest responsive and responsible source or highest ranked vendor
		The County Administrator may approve without Committee/Council Approval	Department Heads are responsible for submitting AIS and backup in MUNIS and must be approved by Legal	Once Committee approves it will be forwarded to Council for Approval
		Requisition must be entered in MUNIS with bid tab, completed budget form, AIS summary along with COI attached or prequalified vendor information	Once Committee approves the award a Requisition must be entered in MUNIS with bid tab, AIS/backup and the COI attached	Once Council approves the award a Requisition must be entered in MUNIS with bid tab, AIS/backup, COI and CC approval

NOTE: Purchases under \$50,000 do not require a formal contract. The Purchase Order resulting from the Requisition entered will serve as a contract.

Elected and Appointed Officials: Provided that funds have been approved by County Council as part of the annual budget appropriation process, and that any expenditure of funds regardless of the amount will not result in a budget deficit within the Official's office shall be exempt from the dollar limitations on expenditure authority established in Section 2-506 of this Ordinance, provided that an Official's office complies with all the provisions as may be required by South Carolina law and the Beaufort County Purchasing Ordinance. County Council may request reports and information as a deems necessary and prudent on the procurement activities of an Official to ensure compliance with the Beaufort County Procurement Ordinance.

All purchases requiring a Purchase Order must include in the requisition attachments a copy of the company's business license, COI (if performing a service), Quotes or Formal Contract, Bonds (if applicable) as well as the solicitation (if applicable)