

Keith County Nebraska Procurement Policy

Procurement means buying, purchasing, renting, leasing, or otherwise acquiring goods or services. The term also includes all functions that pertain to the obtaining of goods or services, including description of requirements, selection and solicitation of sources, preparation and awarding of contracts, and all phases of contract administration, Nebraska Statutes, and Rules and Regulations. Ultimately, it is the act of utilizing taxpayer funds to meet the needs of government in a fair transparent and efficient way in order to uphold the people's trust.

Contracts

A legally enforceable contract is an agreement between parties that consists of the following elements:

OFFER: A solicitation to provide something of value (generally a good or service) in exchange for agreed upon consideration.

ACCEPTANCE: An affirmative agreement to accept the solicitation in the offer in exchange for consideration requested.

CONSIDERATION: Anything of value exchanged pursuant to the offer and acceptance.

LAWFUL PURPOSE: A valid contract must have a legal purpose. For example, a "contract" to commit a crime would be not be enforceable in court.

CAPACITY: The lawful authority to enter into the contract. In public procurement only certain individuals have the capacity to obligate taxpayer money and promises made by others cannot be enforced.

Procurement Thresholds

All agencies must be checked through the System of Award Management (SAM)

<\$2,000.00	Direct Pay to Accounts Payable. Three (3) bids are highly recommended.
=>\$2,000.00 but <\$10,000.00	Keith County has unrestricted open market authority to make a purchase.
=> \$10,000	Purchase must be informally bid
=> \$25,000.00	Purchase must be formally bid

Sealed Bidding

The sealed bidding method is used when it is determined that an award to the lowest responsive, responsible bidder is desired. For services, once the cost of a contract reaches \$50,000 it must adhere to the formal sealed bidding process, for goods, the threshold is \$25,000. The value of the contract is determined by the value of the initial contract while also including the value of all available renewal options. The sealed

Keith County Nebraska Procurement Policy

bidding method allows the purchasing agency to; evaluate technical, corporate, cost, and other criteria, rank bidders, have discussions, and conduct other procedures to identify the lowest, responsive and responsible bidder. In this process, bids are submitted in a sealed envelope. If this is a Cost Only contract the bidder would only submit a cost proposal and the other criteria listed above would not be considered or evaluated.

Informal Bids (Sealed or Direct Contact)

Informal bids are used for contracts under \$50,000 for services and under \$25,000 for goods. The agency may contact the bidders from the bidders list or other potential bidders in writing or by phone. Agencies are encouraged to solicit bids from a minimum of three (3) bidders. The bidders are provided a copy of the Request for Proposal or Invitation to Bid (RFP/ITB) or a copy of the specifications and are required to submit a bid by a specified date. There is no formal bid opening.

Sole Source

Goods: Sole source purchases are used for the procurement of commodities/goods available from only one source due to the unique nature of the requirement, compatibility, its supplier, proprietary product, or market conditions. (This may also apply to the request to procure used equipment, due to the difficulty of evaluating used equipment on an item-by-item basis).

Services: Sole source services are defined as services "of such a unique nature that the contractor selected is clearly and justifiably the only practicable source to provide the service. Determination that the contractor selected is justifiably the sole source is based on either the uniqueness of the service or the sole availability at the location required.

Emergency

The emergency procurement process is used for situations which endanger lives, property, public safety, or the continuation of a vital program which can be rectified only by immediate on-the-spot purchases or rental of equipment, supplies, or materials.

Keith County has direct purchase authority for emergency purchase for commodities/goods under \$10,000.00.

An emergency service procurement is defined as one that is "necessary to meet an urgent or unexpected requirement or when health and public safety or the conservation of public resources is at risk."

Mistakes in a bid

A bidder may correct a mistake in a bid prior to the time of opening by giving written notice to the purchasing agency of intent to withdraw the bid for modification or to

Keith County Nebraska Procurement Policy

withdraw the bid completely. Changes in a bid, after opening are acceptable only if the change is made to correct a minor error that does not affect price, quantity, quality, delivery, or contractual conditions. In case of a mathematical error in extension of price, unit price shall govern. This policy prevents bidders from claiming a mistake to gain a competitive advantage after bid opening.

Bid Opening

Anyone may attend the opening of bids. It is considered a public meeting. The buyer will read the names of the bidders and the bid cost. The bids will NOT be available for public viewing at the opening. Bids available for public viewing upon posting of the Intent to Award. The public posting will have all confidential/proprietary information withheld if the bidder has submitted the information in accordance with the RFP/ITB and per state statute. If the state determines that it must release the information in accordance with the Public Records Act, the bidder will be notified of the release.

Award

After bid opening, award is not automatic and the initial information obtained during the bid opening results in only an apparent low bidder. The apparent low bidder may or may not be awarded the contract. Bid award shall be made to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the RFP – Cost Only/ITB. As such, after the bids are opened they must be evaluated to determine compliance with all RFP – Cost Only/ITB requirements, specifications and ability of the bidders to perform the contract.

If less than three bids are received, Keith County the award the bid to the single bidder.

A contract may only be awarded to a responsive and responsible bidder. A responsive bid is one that complies with the solicitation in all acceptability and material respects and contains no material defects. A material defect is one that affects price, quality, quantity, or delivery terms. Material deficiencies affecting responsiveness may not be corrected. Non-responsive bids are those that do not comply with the mandatory terms of the RFP/ITB. Responsibility relates to the capability of the vendor to actually perform the work or provide the items the county is seeking. Responsibility may include a vendor's ability to secure bonding, obtain insurance, or hire sufficient staff. Matters of responsibility may sometimes be addressed or corrected before contract award.

Protests

Bidders must submit protests in writing within ten (10) business days of the posting of the Intent to Award.